

11002 East 17500 South Vernal, UT 84078 Tel 435 781 4300 • Fax 435 781 4329

January 29, 2006

Ms. Diana Whitney State of Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, Ut 84114-5801

Re:

Directional Drilling R649-3-11

SG 11MU-11-8-22

SURFACE: 2260' FSL 806' FWL, NWSW, SECTION 11, T8S, R22E

BOTTOM HOLE: 1981' FSL 1983' FWL, NESW, SECTION 11, T8S, R22E

Dear Ms. Whitney:

Pursuant to the filing of SG 11MU-11-8-22 Application for Permit to Drill regarding the above referenced well on January 29, 2006, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649-3-11 pertaining to the location and drilling of a directional well.

SG 11MU-11-8-22 is located in T8S, R22E, and Section 11 of the NESW.

QEP Uinta Basin, Inc. 11002 East 17500 South, Vernal, Utah 84078, is permitting this well as a directional well due to topographic reasons. Locating the well at the surface location and directionally drilling from this location. Questar will be able to utilize the existing roads and pipelines in the area.

There are no other lease owners within 460' of all points along the intended directional wellbore as shown on the attached plat. Therefore, based on the above stated information, QEP Uinta Basin, Inc. requests the permit be granted pursuant to R649-3-11.

Respectfully,

Jan Nelson

Regulatory Affairs

JAN 3 1 2006

Form 3160-3 (July 1992)

CONDITIONS OF APPROVAL, IF ANY

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*

FORM APPROVED

OMB NO. 1040-0136 Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.

UTU-73687

		6. IF INDIAN, ALLOTTEE O	R TRIBE NAME
APPLICATION FOR PERMIT TO DRILL (OR DEEPEN	N/A	
TYPE OF WORK		7. UNIT AGREEMENT NAMI	E
DRILL ☑ DEEPEN□		N/A	
TYPE OF WELL		8. FARM OR LEASE NAME,	WELL NO.
□ ☑ □ SINGLE ☑ MULTIPLE			
OIL WELL GAS WELL OTHER ZONE ZONE		SG 11MU-1	1-8-22
2. NAME OF OPERATOR Contact: Jan Ne	lson	9. API WELL NO.	
QUESTAR EXPLORATION & PRODUCTION COMPANY E-Mail: ja	an.nelson@questar.com	43-847-	37662
3. ADDRESS Telphone number	er	10. FIELD AND POOL, OR V	WILDCAT
11002 E. 17500 S. Vernal, Ut 84078 Phone 435-	781-4331 Fax 435-781-4323	KENNEDY	WASH
4. LOCATION OF WELL (Report location clearly and in accordance with	h and State requirements*)	11. SEC.,T, R, M, OR BLK &	SURVEY OR AREA
At Surface 2260' FSL 806' FWL, NWSW, SECTION	• •		
At proposed production zone 1981' FSL 1983' FWL, NESW, SECTIO	ON 11, T8S, R22E	SEC.11, T8S, R22	E, Mer SLB
14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE*		12. COUNTY OR PARISH 13	B. STATE
32 MILES + / - FROM VERNAL, UT		Uintah	UT
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST	16.NO.OF ACRES IN LEASE	17. NO. OF ACRES ASSIGN	IED TO THIS WELL
PROPERTY OR LEASE LINE, FT. (also to nearest drig,unit line if any)			
	1595.48	40	
1981' +/-			
18.DISTANCE FROM PROPOSED location to nearest well, drilling, completed, applied for, on this lease, ft	19. PROPOSED DEPTH 9600' TVD	20. BLM/BIA Bond No. on fi	ile
2000' +/-	9746' MD	ESB000024	
21. ELEVATIONS (Show whether DF, RT, GR, ect.)	22. DATE WORK WILL START	23. Estimated duration	
4939.9' GR	ASAP	20 days	
24. Attachments			
	·		
The following, completed in accordance with the requirments of Onsho	ore Oil and Gas Order No. 1, sha	II be attached to this form:	
Well plat certified by a registered surveyor.	4. Bond to cover the operations unle		on file (see
2. A Drilling Plan	Item 20 above).	,	
3. A surface Use Plan (if location is on National Forest System Lands,	Operator certification.		
the SUPO shall be filed with the appropriate Forest Service Office).	6 Such other site specific information	n and/or plans as may be require	ed by the
Surf 635194x 40.136205	authorized officer.	40 135432	
44438714 -109.413106	BUI - 635554X	1000 1000	-
104.413106	authorized officer. 641 635-554 X 44437924	109, 408845	
(/- 10 km			
SIGNED Name (printed/ty	ped) Jan Nelson	DATE 1-	29-06
// / · · · / / ·			
TITLE Regulatory Affairs			
(This space for Federal or State office use)			
PERMIT NO. 43-047-37662 APPROVI	AL DATE		
Application approval does not warrant or certify the applicant holds any legal or equitable title to those rights in the sul		t operations thereon	
The state of the s	-Joor 10000 Muteri Morrie circlis the abbiteaut to coughe	operations mereon	

*See Instructions On Reverse Side

18 U.S.C Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency RECEIVED

United States any false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction

United States any false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction

BRADLEY G. HILL ENVIRONMENTAL SCIENTIST III

Federal Approval of this Action is Necessary

JAN 3 1 2006

DATE 07-06-06

QUESTAR EXPLR. & PROD. T8S, R22E, S.L.B.&M. Well location, SG #11MU-11-8-22, located as shown in the NW 1/4 SW 1/4 of Section 11, T8S. R22E, S.L.B.&M. Uintah County, Utah. S89'56'00"W - 2641.30' (Meas.) S89°59'W - 2642.64' (G.L.O.) BASIS OF ELEVATION 1928 Brass Cap 1938 Brass Cap BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, 0.5' High, Small 1.0' High, Large T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, Pile of Stones Pile of Stones UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) NWLY 3' WLY PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET. BASIS OF BEARINGS BASIS OF BEARINGS IS A G.P.S. OBSERVATION. (G.L.O. 5280.00 1938 Brass Cap Flush w/Ground, Two Stones WLY SG' #11MU-11-8-22 (Meas.) 806 Elev. Graded Ground = 4940' BOTTOM HOLE 1983' 83, SCALE 2572. THIS IS TO CERTIFY THAT THE ABOVE PLAT, WAS PREPARED FROM 2260' FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECTED COTHE NO0003'45"W NOTE: 1981 BEST OF MY KNOWLEDGE AND BELL THE PROPOSED BOTTOM HOLE BEARS S76°42'47"E 1209.20' FROM THE PROPOSED WELL HEAD. REGISTERED LAND SURVEYOR REGISTRATION NO. 161219 Brass Cap. 1933 Brass Cap UNTAH ENGINEERING & SURVEYING Land S89'54'43"W - 2643.40' (Meas.) WEST - 2643.96' (G.L.O.) N00°02'35"E - 67.92' (Meas.) 85 SOUTH 200 EAST - VERNAL, UTAH 84078 1938 Brass Cap (NAD 83) (435) 789-1017 0.5' High, Large Pile of Stones LATITUDE = $40^{\circ}08'10.01"$ (40.136114)SCALE DATE SURVEYED: DATE DRAWN: LONGITUDE = $109^{\circ}24^{\prime}49.86^{\circ}$ (109.413850) LEGEND: 1" = 1000'09-30-05 11-07-05 (NAD 27) PARTY REFERENCES = 90° SYMBOL D.A. C.R. D.R.B. LATITUDE = $40^{\circ}08'10.14"$ G.L.O. PLAT (40.136150)= PROPOSED WELL HEAD. WEATHER FILE LONGITUDE = $109^{\circ}24^{\prime}47.40^{\circ}$ (109.413167) = SECTION CORNERS LOCATED WARM QUESTAR EXPLR. & PROD.

T8S, R22E, S.L.B.&M. 589'56'00"W - 2641.30' (Meas.) S89'59'W - 2642.64' (G.L.O.) 1928 Brass Cop 1938 Bross Cop 0.5' High, Small Pile of Stones 1.0' High, Large Pile of Stones NWLY 3' MLY 1938 Brass Cap 5280.00 Flush w/Ground. 460-ft R Two Stones W.Y. SG #11MU-71-8-22 Elev. Graded Ground = 4940' BOTTOM HOLE 1983 2572.83 NOOD3'45"W NOTE: THE PROPOSED BOTTOM HOLE BEARS 400-ft S76'42'47"E 1209.20' FROM THE window PROPOSED WELL HEAD. Brass Cop. 1933 Bross Cop 1.2° High S89'54'43"W - 2643.40' (Meas.) WEST - 2643.96' (G.L.O.) NOO'02'35"E - 67.92' (Meas.) 1938 Brass Cap (NAD 83) 0.5' High, Large LATITUDE = $40^{\circ}08'10.01"$ (40.136114) Pile of Stones LEGEND: LONGITUDE = 109'24'49.86" (109.413850) (NAD 27) = 90' SYMBOL LATITUDE = $40^{\circ}08'10.14"$ (40.136150) = PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

LONGITUDE = 109'24'47.40'' (109.413167)

QUESTAR EXPLR. & PROD.

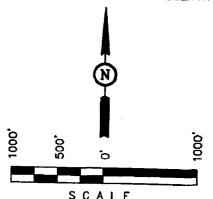
Well location, SG #11MU-11-8-22, located as shown in the NW 1/4 SW 1/4 of Section 11, T8S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

REGISTERED LAND SURVEYOR REGISTRATION NO. 161319 STATE OF UTAH

Untah Engineering & Land Surveying 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017

	(100)	100 1017				
SCALE 1" = 1000'		DATE SURVEYED: 09-30-05	DATE DRAWN: 11-07-05			
PARTY D.A. C.R. D.R.B.		REFERENCES G.L.O. PLAT				
WEATHER WARM		FILE QUESTAR EXPL	LR. & PROD.			

Additional Operator Remarks

QEP Uinta Basin, Inc. proposes to directional drill a well to 9746' MD to test the MesaVerde. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements"

Please see QEP Uinta Basin, Inc. Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 and 09 South, Ranges 21 to 25 East.

See attached Onshore No. 1

Please be advised that QEP Uinta Basin Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No.ESB000024. The principal is QEP Uinta Basin Inc. via surety as consent as provided for the 43 CFR 3104.2.

ONSHORE OIL & GAS OFFICER NO. 1 QEP Uinta Basin, Inc. SG 11MU-11-8-22

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1 Approval of Operations on Onshore Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	Depth, TVD					
Uinta	Surface					
Green River	2,936'					
Mahogany	3,579'					
Wasatch	6,032'					
Mesa Verde	8,572'					
TD	9,600'					

2. Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas, or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	Depth, TVD
Oil/Gas	Wasatch	6,032'
Oil/Gas	Mesaverde	8,572'

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right #36125 or Red Wash water right #49-2153 to supply fresh water for drilling purposes.

All water resulting from drilling operations will be disposed of at Red Wash Central Battery Disposal Site; SWSE, Section 27, T7S, R23E or Wonsits Valley Disposal Site; SWNW, Section 12, T8S, R21E.



DRILLING PROGRAM

3. Operator's Specification for Pressure Control Equipment:

- A. 5,000 psi W.P. Double Gate BOP or Single Gate BOP, 5,000 psi annular (schematic attached)
- B. Functional test daily
- C. All casing strings shall be pressure tested (0.22 psi/foot or 1500 psi, (or 70% of burst whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 5M system and individual components shall be operable as designed.

4. Casing Program

Hole Size	Csg. Size	Top (MD)	Bottom (MD)	Wt.	Grade	Thread	Cond.
20"	14"	sfc	40'	Steel	Cond.	None	Used
12-1/4"	9-5/8"	sfc	450'	36.0	J-55	STC	New
8-3/4"	7"	sfc	6,446'	26.0	J-55	LTC	New
6-1/8"	4-1/2"	sfc	9,746'	11.6	P-110	LTC	New

Casing S	trengths:			Collapse	Burst	Tensile (minimum)
9-5/8"	36.0 lb.	J-55	STC	2,020 psi	3,520 psi	394,000 lb.
7"	26.0 lb.	J-55	LTC	4,320 psi	4,980 psi	367,000 lb.
4-1/2"	11.6 lb.	P-110	LTC	7,580 psi	10,690 psi	279,000 lb.

DRILLING PROGRAM

5. Auxiliary Equipment

- A. Kelly Cock yes
- B. Float at the bit no
- C. Monitoring equipment on the mud system visually and/or PVT/Flow Show
- D. Full opening safety valve on the rig floor yes
- E. Rotating Head yes
- F. If drilling with air the following will be used:
- G. The blooie line shall be at least 6" in diameter and extend at least 100' from the well bore into the reserve/blooie pit.
- H. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500').
- I. Compressor shall be tied directly to the blooie line through a manifold.
- J. A mister with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.

Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Drilling below surface casing will be with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. No chromates will be used. It is not intended to use oil in the mud, however, in the event it is used, oil concentration will be less than 4% by volume. Maximum anticipated mud weight is 10.5 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

DRILLING PROGRAM

6. Testing, logging and coring program

- A. Cores none anticipated
- B. DST none anticipated
- C. Logging Mud Logging 4500' to TD

 GR-SP-Induction

 Neutron Density

 MRI
- D. Formation and Completion Interval: Wasatch/Mesaverde interval, final determination of completion will be made by analysis of logs.
 Stimulation: Stimulation will be designed for the particular area of interest as encountered.

7. <u>Cementing Program</u>

14" Conductor:

Cement to surface with construction cement.

9-5/8" Surface Casing: sfc - 450' (MD)

Lead/Tail Slurry: 0' - 450'. 170 sks (308 cu ft) Rockies LT cement + 0.25 lb/sk Flocele + 0.25 lb/sk Kwik Seal. Slurry wt: 13.5 ppg, Slurry yield: 1.81 ft³/sk, Slurry volume: 12-1/4" hole + 100% excess.

7" Intermediate Casing: sfc - 6,446' (MD)

Lead Slurry: 0' - 2,490'. 120 sks (461 cu ft) Halliburton Hi-Fill cement. Slurry wt: 11.0 ppg, Slurry yield: 3.84 ft³/sk, Slurry volume: 8-3/4" hole + 25% excess in open hole section.

Tail Slurry: $2,490^{\circ} - 6,446^{\circ}$. 610 sks (756 cu ft) of 50/50 Poz Premium + 0.6% Halad (R)-322 fluid loss + 2.0% Microbond M expander + 5% salt + 0.25 lb/sk Flocele. Slurry wt: 14.35 ppg, Slurry yield: 1.24 ft³/sk, Slurry volume: 8-3/4" hole + 25% excess.

4-1/2" Production Casing: sfc - 9,746' (MD)

Lead Slurry: surf - 5,678'. 170 sks (655 cu ft) Halliburton Hi-Fill cement + 5 lb/sk Gilsonite lost circulation + 3 lb/sk Granulite lost circulation + 0.8% HR-7 retarder. Slurry wt: 11.0 ppg, Slurry yield: 3.85 ft³/sk, Slurry volume: 4½" casing inside 7", 26 lb/ft casing.

Tail Slurry: 5,678 - 9,746'. 390 sks (484 cu ft) of 50/50 Poz Premium + 0.6% Halad (R)-322 fluid loss + 2.0% Microbond M expander + 5% salt + 0.2% HR-5 retarder + 0.25 lb/sk Flocele. Slurry wt: 14.35 ppg, Slurry yield: 1.24 ft³/sk, Slurry volume: 6-1/8" hole + 25% excess in open hole section.

ONSHORE OIL & GAS OFF ER NO. 1 QEP Uinta Basin, Inc. SG 11MU-11-8-22

DRILLING PROGRAM

*Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 5,190 psi. Maximum anticipated bottom hole temperature is 140° F.

EXHIBIT B SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

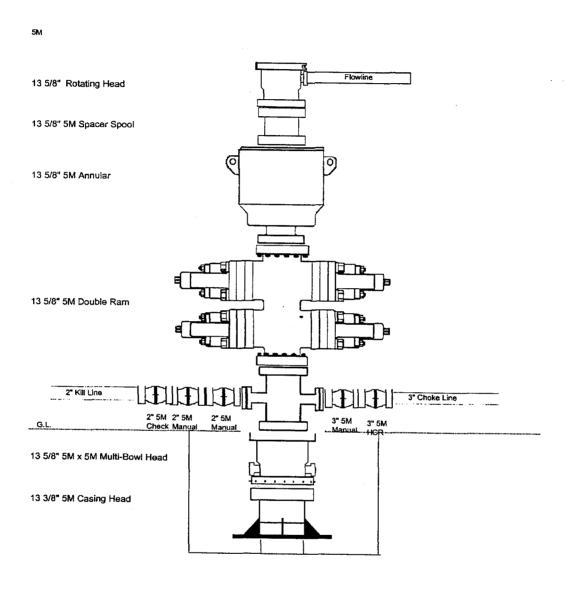
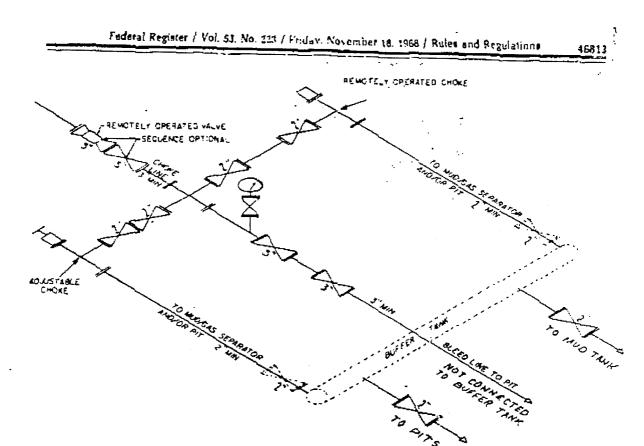


EXHIBIT B CONTINUED



5M CHOKE MANIFOLD EQUIPMENT - CONFIGURATION OF CHOKES MAY VARY

[FR Doc. 88-28738 Filed 11-17-68; 6:45 am]



Drilling Services

Proposal

QUESTAR EXPLORATION & PRODUCTION

SG #11MU-11-8-22

UINTAH COUNTY, UTAH

WELL FILE: DRAFT REV2

JANUARY 19, 2006

Weatherford International, Ltd.

www.weatherford.com

363 North Sam Houston Pkwy E, Suite 600 Houston, Texas 77060 USA +1.281.260.5600 Main +1.281.260.2763 Fax

QUESTAR EXPLORATION & PRODUCTION

SG #11MU-11-8-22 SEC 11 T8S R22E 2260' FSL, 806' FWL UINTAH COUNTY, UTAH



					SECTION DE	ETAILS				
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1 2 3 4 5 6	0.00 810.00 1541.04 5470.99 6445.71 9745.71	0.00 0.00 14.62 14.62 0.00 0.00	103.04 103.04 103.04 103.04 0.00 0.00	0.00 810.00 1533.13 5335.82 6300.00 9600.00	0.00 0.00 -20.93 -244.74 -272.64 -272.64	0.00 0.00 90.38 1056.80 1177.30 1177.30	0.00 0.00 2.00 0.00 1.50 0.00	0.00 103.04 103.04 0.00 180.00 0.00	0.00 0.00 92.77 1084.77 1208.46 1208.46	KOP HOLD DROP EOD TD

Weatherford

SITE DETAILS

SG #11MU-11-8-22

Site Centre Latitude: 40°08'10.010N Longitude: 109°24'49.860W

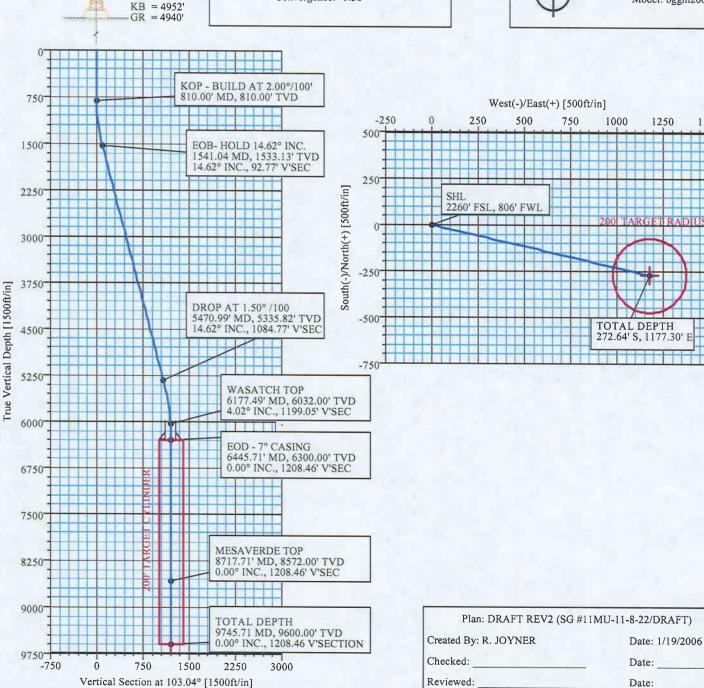
Ground Level: 4940.00 Positional Uncertainty: 0.00 Convergence: 1.38



Azimuths to True North Magnetic North: 11.79°

> Magnetic Field Strength: 53019nT Dip Angle: 66.17° Date: 11/16/2005 Model: bggm2005

> > 1500



WEATHERFORD DRILLING SERVICES WELL PLAN REPORT

Company: QUESTAR EXPLORATION & PRODUCTI

Field:

UINTAH COUNTY, UTAH

Site: Well: SG #11MU-11-8-22

SG #11MU-11-8-22 DRAFT

Vertical (TVD) Reference: Section (VS) Reference: Survey Calculation Method:

Date: 1/19/2006 Time: 11:14:48 Co-ordinate(NE) Reference:

Site: SG #11MU-11-8-22, True North

SITE 4956.0

Well (0.00N,0.00E,103.04Azi) Minimum Curvature

Db: Sybase

1

Page:

Wellpath: Plan:

DRAFT REV2

Yes

Date Composed:

Version:

Tied-to:

11/29/2005 From Surface

Site:

SG #11MU-11-8-22

Site Position:

Principal:

Geographic From:

Position Uncertainty:

Ground Level:

0.00 ft 4940.00 ft Northing: 3215986.80 ft Easting:

2223749.18 ft

Latitude: Longitude:

40 10.010 N 8 109 24 49.860 W

North Reference: **Grid Convergence:** True 1.38 deg

Well:

Well Position:

SG #11MU-11-8-22 +N/-S

+E/-W

0.00 ft Northing:

3215986.80 ft 2223749.18 ft

Latitude: Longitude:

Slot Name:

10.010 N 40 8

Position Uncertainty:

0.00 ft

0.00 ft Easting:

109 24 49.860 W

Plan Section Information

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ff	Build deg/100f	Turn deg/100ft	TFO deg	Target	
0.00	0.00	103.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
810.00	0.00	103.04	810.00	0.00	0.00	0.00	0.00	0.00	103.04		
1541.04	14.62	103.04	1533.13	- 20.93	90.38	2.00	2.00	0.00	103.04		
5470.99	14.62	103.04	5335.82	-244.74	1056.80	0.00	0.00	0.00	0.00		
6445.71	0.00	0.00	6300.00	- 272.64	1177.30	1.50	-1.50	-10.57	180.00		
9745.71	0.00	0.00	9600.00	-272.64	1177.30	0.00	0.00	0.00	0.00	TD 11MU	

Survey

Type NS E/W VS DLS Build Turn Comment	•
810.00 0.00 103.04 810.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	
900.00 1.80 103.04 899.99 -0.32 1.38 1.41 2.00 2.00 0.00 1000.00 3.80 103.04 999.86 -1.42 6.14 6.30 2.00 2.00 0.00 1100.00 5.80 103.04 1099.50 -3.31 14.29 14.67 2.00 2.00 0.00 1100.00 5.80 103.04 1100.00 5.80 103.04 1297.61 -9.43 40.73 41.80 2.00 2.00 0.00 1300.00 9.80 103.04 1297.61 -9.43 40.73 41.80 2.00 2.00 0.00 1400.00 11.80 103.04 1395.84 -13.66 58.98 60.54 2.00 2.00 0.00 1500.00 13.80 103.04 1493.35 -18.66 80.56 82.69 2.00 2.00 0.00 1541.04 14.62 103.04 1533.13 -20.93 90.38 92.77 2.00 2.00 0.00 HOLD 1600.00 14.62 103.04 1590.18 -24.29 104.88 107.65 0.00 0.00 0.00 1700.00 14.62 103.04 1686.94 -29.98 129.47 132.89 0.00 0.00 0.00 1900.00 14.62 103.04 1783.71 -35.68 154.06 158.14 0.00 0.00 0.00 1900.00 14.62 103.04 1880.47 -41.37 178.65 183.38 0.00 0.00 0.00 0.00	
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1900.00 14.62 103.04 1880.47 -41.37 178.65 183.38 0.00 0.00 0.00	
2000.00 14.62 103.04 1977.23 -47.07 203.24 208.62 0.00 0.00 0.00	
2100.00 14.62 103.04 2073.99 -52.76 227.83 233.86 0.00 0.00 0.00	
2200.00 14.62 103.04 2170.75 -58.46 252.42 259.10 0.00 0.00 0.00	
2300.00 14.62 103.04 2267.51 -64.15 277.01 284.35 0.00 0.00 0.00	
2400.00 14.62 103.04 2364.28 -69.85 301.61 309.59 0.00 0.00 0.00	j
2500.00 14.62 103.04 2461.04 -75.54 326.20 334.83 0.00 0.00 0.00	*
2600.00 14.62 103.04 2557.80 -81.24 350.79 360.07 0.00 0.00 0.00	
2700.00 14.62 103.04 2654.56 -86.93 375.38 385.31 0.00 0.00 0.00	
2800.00 14.62 103.04 2751.32 -92.63 399.97 410.56 0.00 0.00 0.00	
2900.00 14.62 103.04 2848.09 -98.32 424.56 435.80 0.00 0.00 0.00	
2990.86 14.62 103.04 2936.00 -103.50 446.90 458.73 0.00 0.00 0.00 GREEN RIVER	
3000.00 14.62 103.04 2944.85 -104.02 449.15 461.04 0.00 0.00 0.00	
3100.00 14.62 103.04 3041.61 -109.71 473.74 486.28 0.00 0.00 0.00	
3200.00 14.62 103.04 3138.37 -115.41 498.34 511.52 0.00 0.00 0.00	
3300.00 14.62 103.04 3235.13 -121.10 522.93 536.77 0.00 0.00 0.00	
3400.00 14.62 103.04 3331.89 -126.80 547.52 562.01 0.00 0.00 0.00	

WEATHERFORD DRILLING SERVICES WELL PLAN REPORT

Company: QUESTAR EXPLORATION & PRODUCTI

Field: Site:

UINTAH COUNTY, UTAH SG #11MU-11-8-22

Well: SG #11MU-11-8-22 Wellpath: DRAFT

Date: 1/19/2006

Co-ordinate(NE) Reference:

Vertical (TVD) Reference: Section (VS) Reference: Survey Calculation Method:

Time: 11:14:48 Page: Site: SG #11MU-11-8-22, True North

SITE 4956.0 Well (0.00N,0.00E,103.04Azi)

Minimum Curvature

Db: Sybase

2

MD	Incl	Azim	TVD	N/S	E/W	VS	DLS	Build	Turn	Comment	
ft	deg	deg	ft	ft	ft	ft		deg/100ft	deg/100ft	Comment	
3500.00	14.62	103.04	0400.00	100.10	F70 44	507.05					
			3428.66	-132.49	572.11	587.25	0.00	0.00	0.00		
3600.00	14.62	103.04	3525.42	-138.19	596.70	612.49	0.00	0.00	0.00		
3655.38	14.62	103.04	3579.00	-141.34	610.32	626.47	0.00	0.00	0.00	MAHOGANY	
3700.00	14.62	103.04	3622.18	-143.88	621.29	637.73	0.00	0.00	0.00		
3800.00	14.62	103.04	3718.94	-149.58	645.88	662.98	0.00	0.00	0.00		
3900.00	14.62	103.04	3815.70	-155.27	670.47	688.22	0.00	0.00	0.00		
4000.00	14.62	103.04	3912.46	-160.97	695.07	713.46	0.00	0.00	0.00		
4100.00	14.62	103.04	4009.23	-166.66	719.66	738.70	0.00	0.00			
4200.00	14.62	103.04	4105.99	-172.36	744.25			0.00	0.00		
4300.00	14.62	103.04	4202.75			763.95	0.00	0.00	0.00		
4300.00	14.02	103.04	4202.75	-178.05	768.84	789.19	0.00	0.00	0.00		
4400.00	14.62	103.04	4299.51	-183.75	793.43	814.43	0.00	0.00	0.00		
4500.00	14.62	103.04	4396.27	-189.44	818.02	839.67	0.00	0.00	0.00		
4600.00	14.62	103.04	4493.04	-195.14	842.61	864.91	0.00	0.00	0.00		
4700.00	14.62	103.04	4589.80	-200.83	867.20	890.16	0.00	0.00	0.00		
4800.00	14.62	103.04	4686.56	-206.53	891.80	915.40	0.00	0.00	0.00		
4900.00	14.62	103.04	4783.32	-212.22	916.39	940.64	0.00	.0.00	0.00		
5000.00	14.62	103.04	4880.08				0.00	0.00	0.00		
5100.00	14.62	103.04	4880.08 4976.84	-217.91	940.98	965.88	0.00	0.00	0.00		
5200.00				-223.61	965.57	991.12	0.00	0.00	0.00		
	14.62	103.04	5073.61	-229.30	990.16	1016.37	0.00	0.00	0.00		
5300.00	14.62	103.04	5170.37	-235.00	1014.75	1041.61	0.00	0.00	0.00		
5400.00	14.62	103.04	5267.13	-240.69	1039.34	1066.85	0.00	0.00	0.00		
5470.99	14.62	103.04	5335.82	-244.74	1056.80	1084.77	0.00	0.00	0.00	DROP	
5500.00	14.19	103.04	5363.92	-246.37	1063.83	1091.99	1.50	-1.50	0.00	<i>5</i> .10.	
5600.00	12.69	103.04	5461.18	-251.61	1086.47	1115.22	1.50	-1.50	0.00		
5700.00	11.19	103.04	5559.01	-256.27	1106.61	1135.90	1.50	- 1.50	0.00		
5800.00	9.69	103.04	5657.36	-260.36	1124.26	1154.01	4.50	4.50	0.00		
5900.00	8.19	103.04	5756.14	-263.86	1139.39		1.50	-1.50	0.00		
6000.00	6.69	103.04	5855.30			1169.55	1.50	-1.50	0.00		
6100.00	5.19	103.04		-266.78	1152.00	1182.49	1.50	-1.50	0.00		
			5954.76	-269.12	1162.07	1192.83	1.50	-1.50	0.00		
6177.49	4.02	103.04	6032.00	-270.52	1168.13	1199.05	1.50	-1.50	0.00	WASATCH	
6200.00	3.69	103.04	6054.46	-270.86	1169.61	1200.56	1.50	-1.50	0.00		
6300.00	2.19	103.04	6154.32	- 272.02	1174.60	1205.68	1.50	-1.50	0.00		
6400.00	0.69	103.04	6254.29	-272.58	1177.04	1208.19	1.50	-1.50	0.00		
6445.71	0.00	0.00	6300.00	-272.64	1177.30	1208.46	1.50	-1.50	0.00	7" - EOD	
6500.00	0.00	0.00	6354.29	-272.64	1177.30	1208.46	0.00	0.00	0.00	. 202	
6600.00	0.00	0.00	6454.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
6700.00	0.00	0.00	6554.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
6800.00	0.00	0.00	6654.29	-272.64	1177.30	1208.46					
							0.00	0.00	0.00		
7000.00	0.00 0.00	0.00 0.00	6754.29 6854.29	-272.64 -272.64	1177.30 1177.30	1208.46 1208.46	0.00 0.00	0.00	0.00 0.00		
7400.00											
7100.00	0.00	0.00	6954.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
7200.00	0.00	0.00	7054.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
7300.00	0.00	0.00	7154.29	- 272.64	1177.30	1208.46	0.00	0.00	0.00		
7400.00	0.00	0.00	7254.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
7500.00	0.00	0.00	7354.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
7600.00	0.00	0.00	7454.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
7700.00	0.00	0.00	7554.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
7800.00	0.00	0.00	7654.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
7900.00	0.00	0.00	7754.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
8000.00	0.00	0.00	7854.29	- 272.64	1177.30	1208.46	0.00	0.00	0.00		
8100.00	0.00	0.00	7054.00	-272.64	1177.00	1000 40	0.00	0.00			
0100.00	0.00	0.00	7954.29	-414.04	1177.30	1208.46	0.00	0.00	0.00		

WEATHERFORD DRILLING SERVICES WELL PLAN REPORT

Company: QUESTAR EXPLORATION & PRODUCTI

Field:

Site:

UINTAH COUNTY, UTAH SG #11MU-11-8-22 SG #11MU-11-8-22

Date: 1/19/2006 Co-ordinate(NE) Reference: Vertical (TVD) Reference:

Time: 11:14:48

Page:

3. Site: SG #11MU-11-8-22, True North

SITE 4956.0

Minimum Curvature

Well (0.00N,0.00E,103.04Azi)

Db: Sybase

Well:

Section (VS) Reference: Survey Calculation Method:

Wellpath: DRAFT Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Comment	
8300.00	0.00	0.00	8154.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
8400.00	0.00	0.00	8254.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
8500.00	0.00	0.00	8354.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
8600.00	0.00	0.00	8454.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
8700.00	0.00	0.00	8554.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
8717.71	0.00	0.00	8572.00	-272.64	1177.30	1208.46	0.00	0.00	0.00	MESAVERDE	
8800.00	0.00	0.00	8654.29	-272.64	1177.30	1208.46	0.00	0.00	0.00	W.EO/WENDE	
8900.00	0.00	0.00	8754.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
9000.00	0.00	0.00	8854.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
9100.00	0.00	0.00	8954.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
9200.00	0.00	0.00	9054.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
9300.00	0.00	0.00	9154.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
9400.00	0.00	0.00	9254.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
9500.00	0.00	0.00	9354.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
9600.00	0.00	0.00	9454.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
9700.00	0.00	0.00	9554.29	-272.64	1177.30	1208.46	0.00	0.00	0.00		
9745.71	0.00	0.00	9600.00	-272.64	1177.30	1208.46	0.00	0.00	0.00	TD 11MU	

Targets

Name	Description Dip. Dir.	TVD ft	+N/-S ft	+ E /- W	Map Map Northing Easting ft ft		Latitude> Min Sec	< Longitude> Deg Min Sec
TD 11MU -Circle (Radiu -Plan hit targe		9600.00	-272.64	1177.31	3215742.502224932.70	40	8 7.316 N	109 24 34.704 W

Annotation

MD ft	TVD ft				
810.00 1541.04	810.00 1533.13	KOP HOLD		 	
2990.86 3655.38	2936.00 3579.00	GREEN RIVER MAHOGANY			
5470.99 6177.49	5335.82 6032.00	DROP WASATCH			
6445.71 8717.71	6300.00 8572.00	7" CASING - EOD MESAVERDE			
9745.71	9600.00	TD			

Weatherford

Weatherford Drilling Services

GeoDec v4.1.130

Re	port	Da	te:
	7016		w.

January 19, 2006

Job Number:

QUESTAR EXPLORATION & PRODUCTION

Customer: Well Name:

SG #11MU-11-8-22

API Number:

Rig Name:

UINTAH COUNTY, UTAH

Location: Block:

Engineer:

RUSSELL JOYNER

Geodetic Latitude / Longitude

ide / Longitude Geodetic Latitude / Longitude

System: Latitude / Longitude

System: Latitude / Longitude

Projection: Geodetic Latitude and Longitude

Projection: Geodetic Latitude and Longitude

Datum: North American Datum 1983

Datum: North American Datum 1983

Ellipsoid: GRS 1980

Ellipsoid: GRS 1980

Latitude 40 8 10.0100000 DMS

Latitude 40.1361139 DEG

Longitude -109 24 49.8600000 DMS

Longitude -109.4138500 DEG

Geodetic Location WGS84

Elevation = 1506.0 Meters

Latitude =

40.13611° N

40° 8 min 10.010 sec

Longitude =

109.41385° W

109° 24 min 49.860 sec

Magnetic Declination =

Local Field Strength=

+11.7650° [True North Offset]

Local Gravity =

.9995 g 52962 nT

Dip =

66.1660°

Mag Vector X = Mag Vector Y =

20952 nT 4364 nT

Model File:

bggm2005

Mag Vector Z =

48446 nT

Spud Date:

Jan 19, 2006

Mag Vector H =

21402 nT

Signed:

RUSSELL JOYNER

Date: 1-19-06

QEP UINTA BASIN. INC. SG 11MU-11-8-22 2260' FSL 806' FWL NWSW (SURFACE LOCATION) 1981' FSL 1983' FWL, NESW (BOTTOM HOLE LOCATION) **SECTION 11, T8S, R22E UINTAH COUNTY, UTAH LEASE # UTU-73687**

ONSHORE ORDER NO. 1

MULTI - POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the SG 11MU-11-8-22 on November 28, 2005. Weather conditions were cold and clear at the time of the onsite. In attendance at the inspection were the following individuals:

Paul Buhler

Bureau of Land Management

Amv Torres

Bureau of Land Management

Jan Nelson

QEP Uinta Basin Inc.

Existing Roads:

The proposed well site is approximately 32 miles from Vernal, Utah.

Refer to Topo Maps A and B for location of access roads within a 2 - mile radius.

There will be no improvements made to existing road.

Planned Access Roads: 2.

Please see QEP Uinta Basin, Inc. Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 and 09 South, Ranges 21 to 25 East.

Refer to Topo Map B for the location of the proposed access road.

Location of Existing Wells Within a 1 – Mile Radius:

Please refer to Topo Map C.

Location of Existing & Proposed Facilities:

Please see QEP Uinta Basin, Inc. Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 and 09 South, Ranges 21 to 25 East.

Refer to Topo Map D for the location of the proposed pipeline.

QEP will tie into our existing 8" Lateral 2 East Pipeline ROW # UTU-80311.

QEP requests a surface pipeline based on the following justification included in the attached "Request for Exception".

5. Location and Type of Water Supply:

Please see QEP Uinta Basin, Inc. Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 and 09 South, Ranges 21 to 25 East.

6. Source of Construction Materials:

Please see QEP Uinta Basin, Inc. Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 and 09 South, Ranges 21 to 25 East.

7. <u>Methods of Handling Waste Materials:</u>

Please see QEP Uinta Basin, Inc. Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 and 09 South, Ranges 21 to 25 East.

8. Ancillary Facilities:

Please see QEP Uinta Basin, Inc. Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 and 09 South, Ranges 21 to 25 East.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

A pit liner is required. A felt pit liner will be required if bedrock is encountered.

10. Plans for Reclamation of the Surface:

Please see QEP Uinta Basin, Inc. Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 and 09 South, Ranges 21 to 25 East.

Interim Reclamation

Please see attached Interim Reclamation plan.

Once the well is put onto production, QEP will reclaim as much of the well pad as possible that will allow for operations to continue in a safe and reasonable manner. Reseeding will be done in the spring or fall of every year to allow winter precipitation to aid in the succuss of reclamation.

Seed Mix:

Interim Reclamation:
9 lbs Hycrest Crested Wheatgrass
3lbs Forage Kochia
Final Reclamation:
Seed Mix # 5 4 lbs Gardner Saltbush, 4 lbs Shadscale, 4 lb Hycrest Crested Wheat.

11. Surface Ownership:

Bureau of Land Management 170 South 500 East Vernal, Utah 84078 (435) 781-4400

12. Other Information

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. Cultural resource clearance was recommended for this location.

A class III paleontological survey was conducted by Intermountain Paleo Consulting. A copy of this report was submitted directly to the appropriate agencies by Stephen D. Sandau. However, if vertebrate fossil(s) are found during construction a paleontologist should be immediately notified. QEP will provide paleo monitor if needed.

QEP Uinta Basin, Inc. Request for Exception to Buried Pipeline for SG 11MU-11-8-22

QEP respectfully requests an exception to burying this pipeline. We understand the standard Condition of Approval (COA) that may be included in the approved Application for Permit to Drill (APD) is: "As a Best Management Practice (BMP), the pipeline would be buried within the identified construction width of an access corridor that contains the access road and pipelines. The construction width for the access corridor would increase from 30 feet, by an additional 20 feet, to a total of 50 feet. Exceptions to this BMP may be granted where laterally extensive, hard indurated bedrock, such as sandstone, is at or within 2 feet of the surface; and, soil types with a poor history of successful rehabilitation." QEP will install the pipeline within the access corridor and will avoid cross-country installation when possible. Our reason for requesting a surface line is based on the following justification:

Class IV VRM

- This area's designated Visual Resource Management is classified as Class IV. The Class IV objective is to provide for management activities that require major modification to the existing character of the landscape. The level of change to the landscape can be high. The management activities may dominate the view and may be the major focus of the viewer attention. However, every attempt should be made to minimize the impact of these activities through careful location, minimal disturbance, and repetition of the basic visual elements of form, line, color, and texture.
- QEP feels that surface pipe will comply with this classification more so than buried pipe due to the amount of surface disturbance that will be required to bury it. We believe surface installation within the access corridor will minimize the disturbance so that the pipeline does not dominate the view.

Environmental and Safety Concerns

- Buried pipe will greatly increase surface disturbance and habitat fragmentation. The soil in this area has a poor history of successful rehabilitation. Buried pipe will have an increased corrosion rate and would need to be dug up for repairs or replacement; the constant surface disturbance will not allow time for successful reclamation.
- Increasing surface disturbance will greatly increase noxious and invasive weed infestation.

- With the increased corrosion rate, buried pipe may have undetectable leaks that could go unnoticed for months. Small leaks may turn into large plumes of underground hazards because they are not easily monitored and not seen right away. An undetected leak also increases the potential for explosive incidents. Once detected, the surface will need to be disturbed, once again, to dig up the line and replace or repair it.
- Accidents associated with pipe breaks during construction activities could increase substantially as the number of buried lines increases.
- The additional surface disturbance will increase the risk of disturbing paleontological sites.

Operational and Mechanical Concerns for Gas Lines

- Cathodic protection will be required for buried pipe. Cathodic protection requires anode beds that must be maintained. This will add substantial costs in labor and material. Additional power lines will need to be installed to the anode beds. The additional costs for equipment and labor will be approximately \$50,000.00 per section.
- Pipeline markers need to be used with buried pipe. This will add costs in labor and material.
- Every tie in requires a valve. The average distance between valves is approximately ¼ mile. Valves will have to be placed in "freeze boxes" or "valve boxes". Valve boxes will be considered confined space which increases the manpower needed to repair or replace valves. Every valve box will also require bright yellow guard rails.
- Additional equipment required for buried pipe can include blades/dozers, trenchers (cutting or blasting in hard rock), side booms, etc. which increases installation costs.
- Buried pipe must have fusion bonded epoxy (FBE) coating. FBE pipe will cost an additional \$2.00 per foot compared to bare pipe.
- This pipeline has the potential for being upgraded/upsized to a larger pipe diameter depending on production volumes. If upsizing is required, the pipe will need to be dug up which will cause additional surface disturbance and will not allow adequate time for successful reclamation.
- Surface lines are sometimes relocated to accommodate new locations; this is done in an effort to minimize the amount of pipe needed and the amount of surface disturbed. If this pipe is buried, this will no longer be an option.

Lessee's or Operator's Representative:

Jan Nelson Red Wash Rep. QEP Uinta Basin Inc. 11002 East 17500 South Vernal, Utah 84078 (435) 781-4331

Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

QEP Uinta Basin, Inc. will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by QEP Uinta Basin, Inc. its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Jan Nelson Date

Red Wash Representative

QUESTAR EXPLR. & PROD.

SG #12MU-11-8-22 & #11MU-11-8-22

LOCATED IN UINTAH COUNTY, UTAH SECTION 11, T8S, R22E, S.L.B.&M.

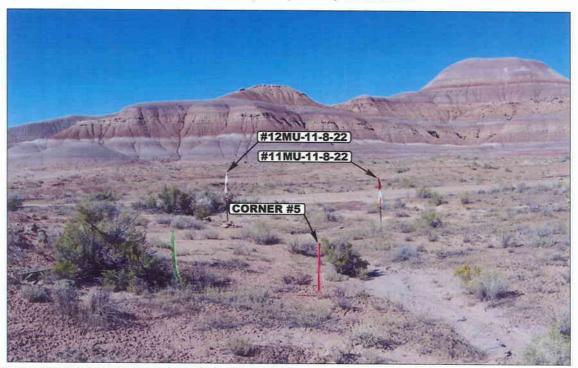


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: EASTERLY



Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

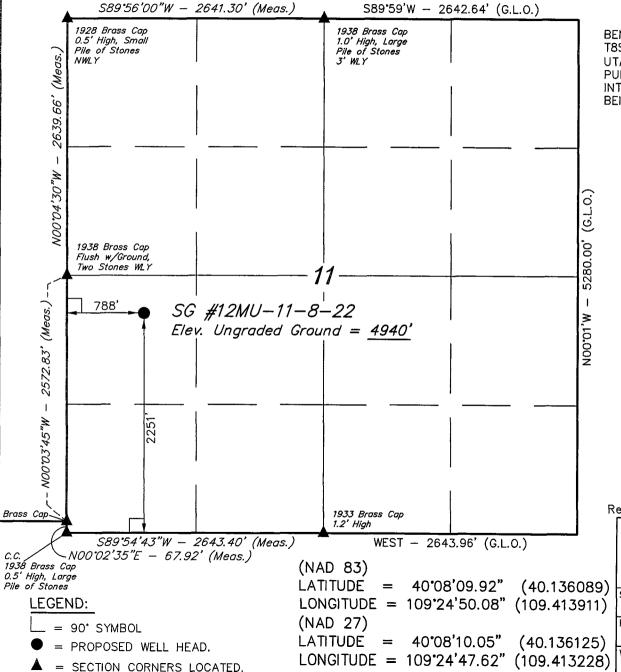
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6 03 YEAR

РНОТО

TAKEN BY: S.H. | DRAWN BY: J.L.G. | REV: 10-25-05 S.L.

T8S, R22E, S.L.B.&M.



QUESTAR EXPLR. & PROD.

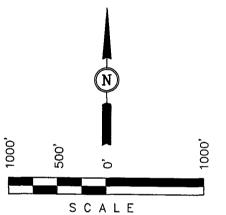
Well location, SG #12MU-11-8-22, located as shown in the NW 1/4 SW 1/4 of Section 11, T8S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

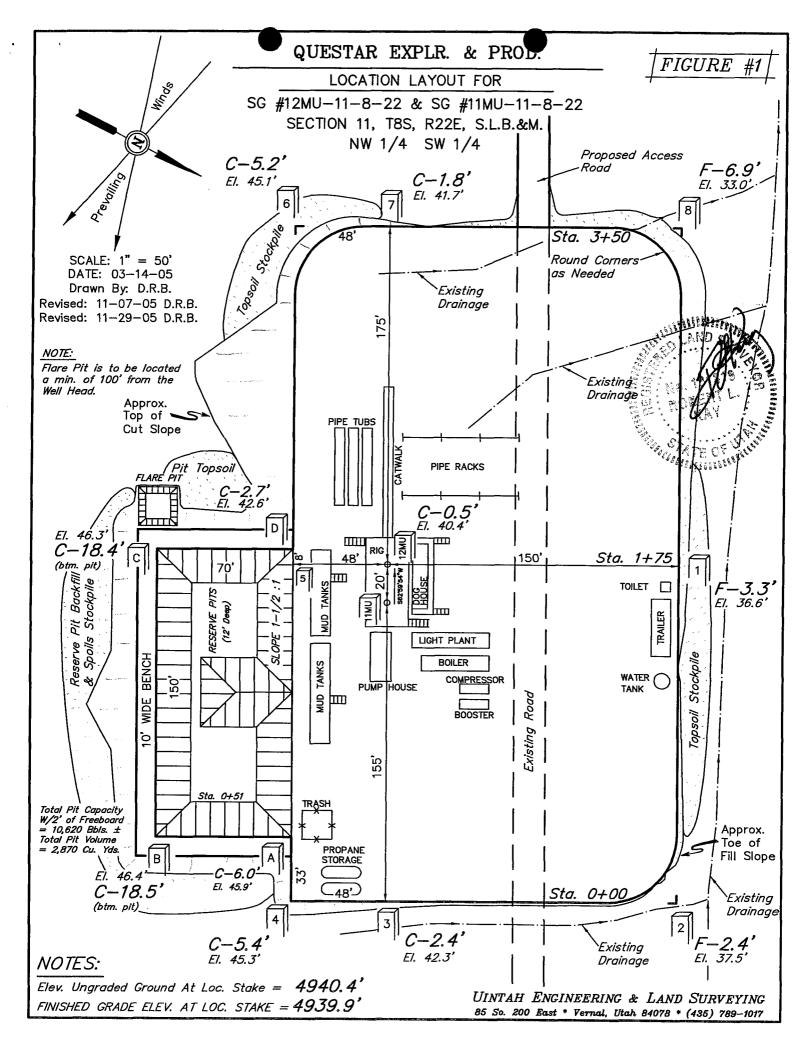
REGISTERED LAND SURVEYOR REGISTRATION NO. 161319

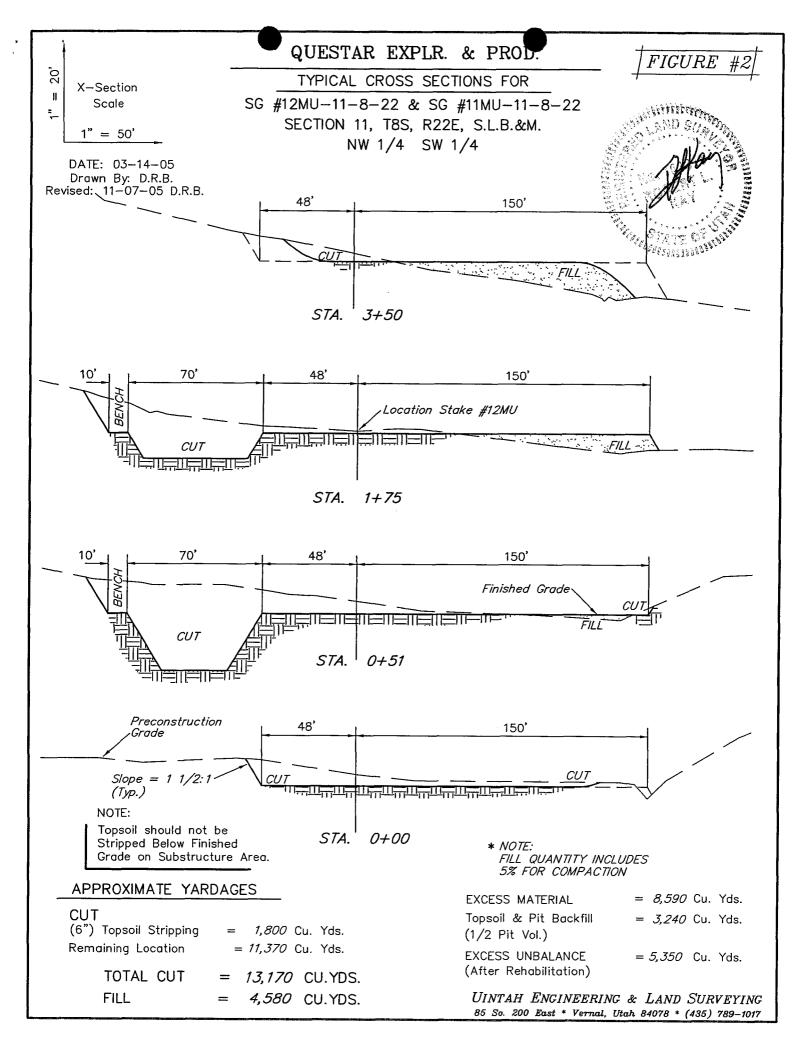
Revised: 03-14-05 D.R.B.

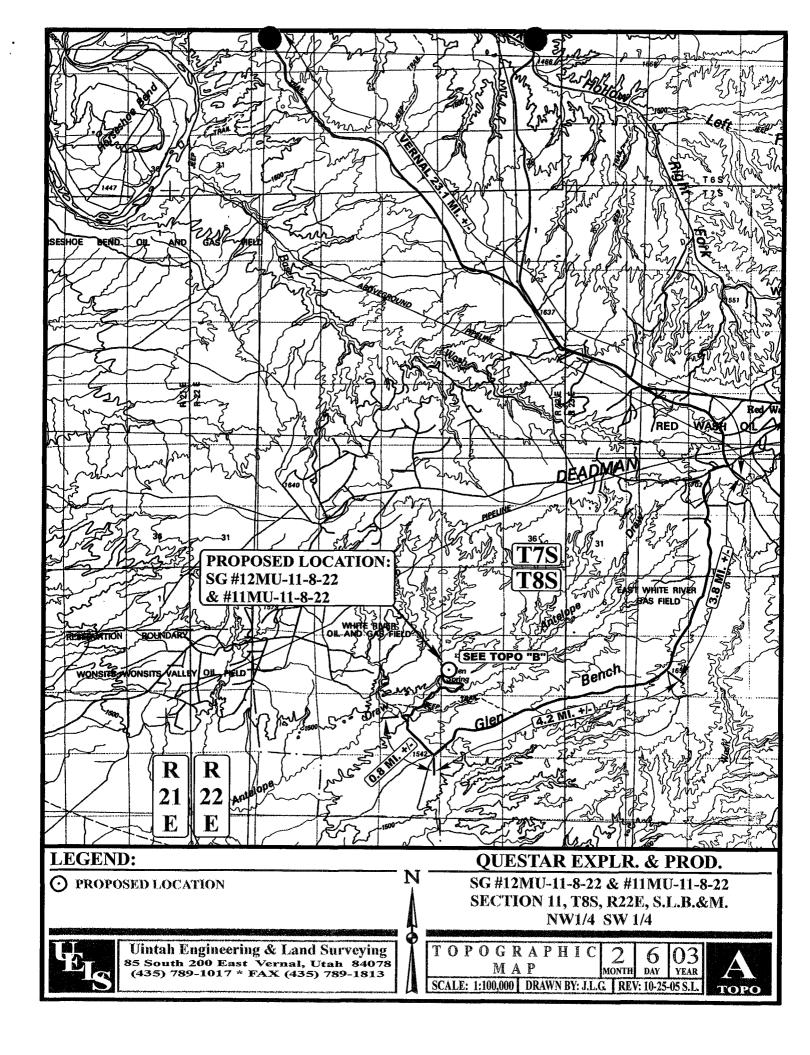
Untah Engineering & Land Surveying 85 SOUTH 200 EAST - VERNAL, UTAH 84078

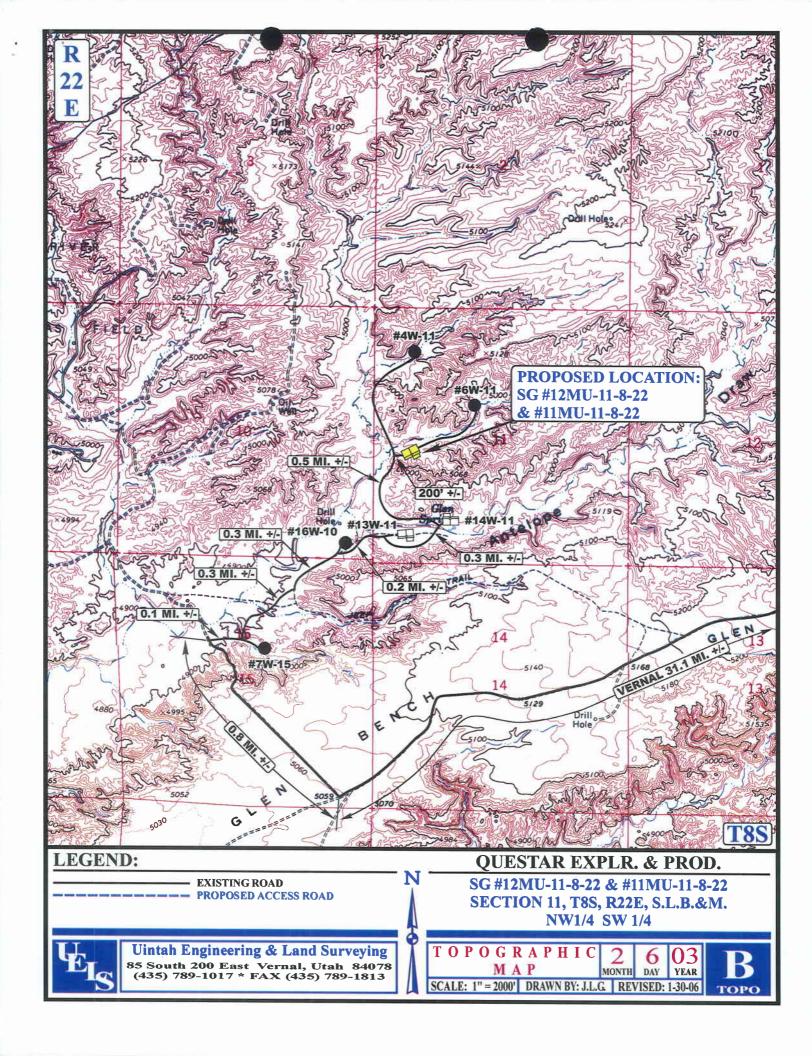
(435) 789-1017

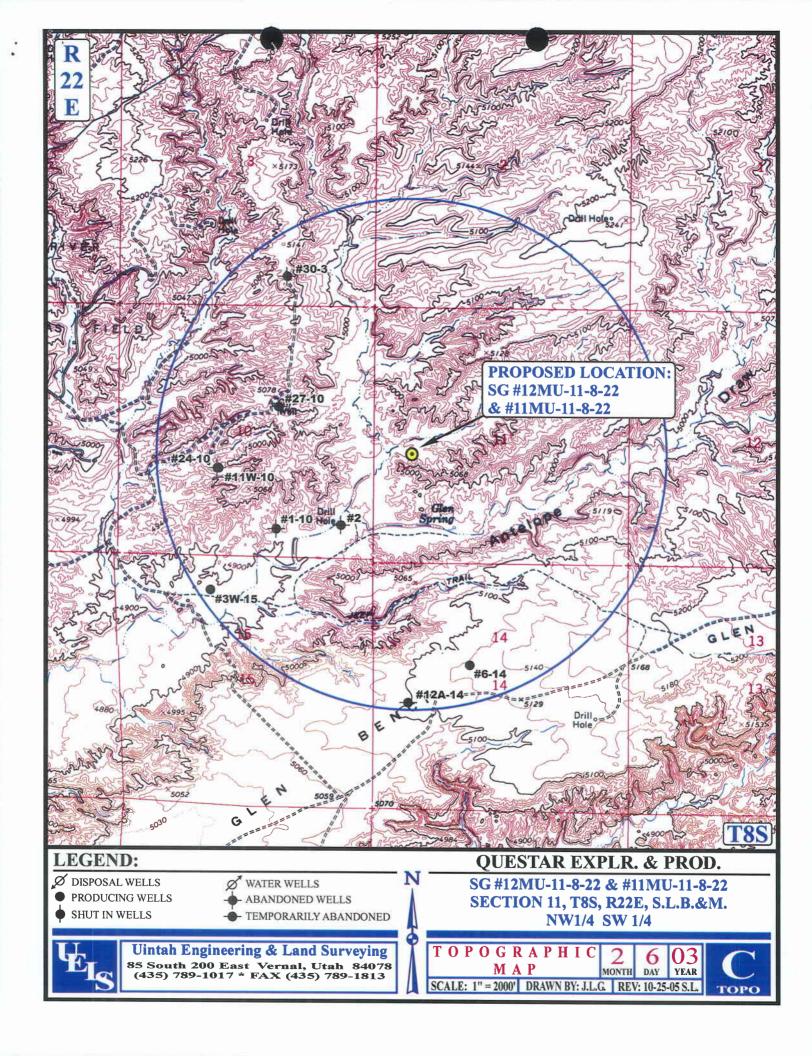
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,	SCALE		DATE SURVEYED:	DATE DRAWN:	
	1" = 1000'		02-05-03	02-06-03	
	PARTY		REFERENCES		
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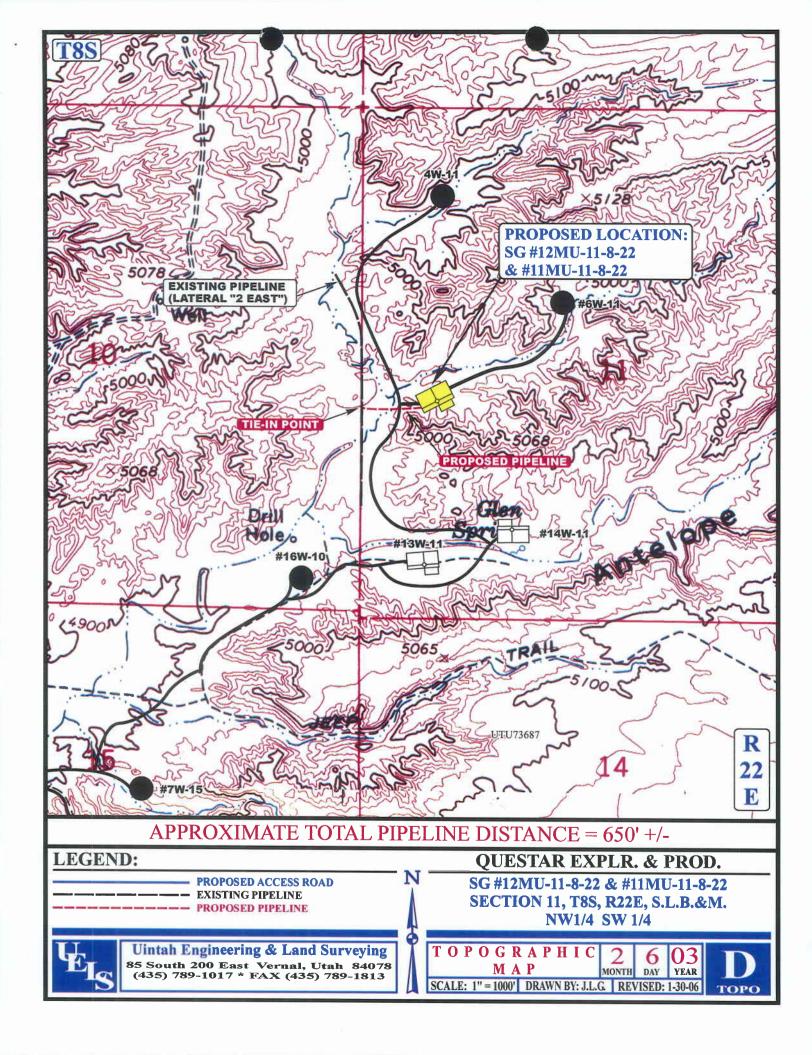












QUESTAR EXPLR. & PROD.

SG #12MU-11-8-22 & #11MU-11-8-22

LOCATED IN UINTAH COUNTY, UTAH SECTION 11, T8S, R22E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: EASTERLY



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

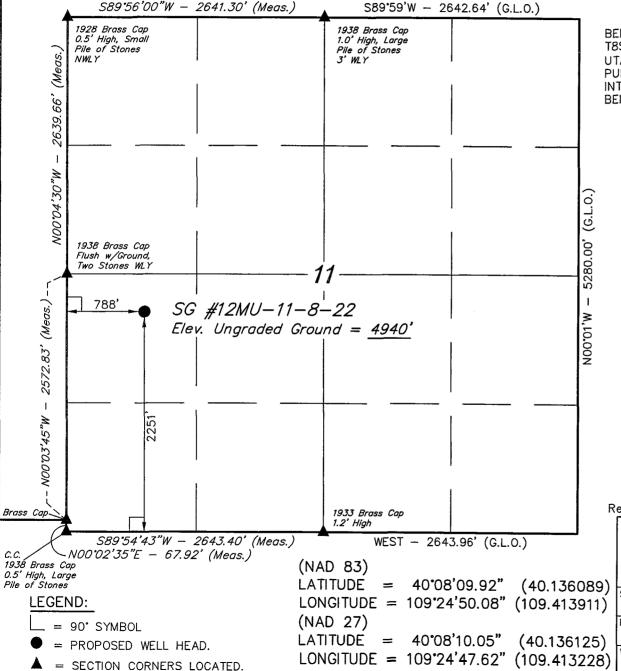
LOCATION PHOTOS

2 6

6 03 YEAR РНОТО

TAKEN BY: S.H. DRAWN BY: J.L.G. REV: 10-25-05 S.L.

T8S, R22E, S.L.B.&M.



QUESTAR EXPLR. & PROD.

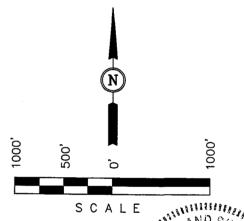
Well location, SG #12MU-11-8-22, located as shown in the NW 1/4 SW 1/4 of Section 11, T8S, R22E, S.L.B.&M. Uintah County, Utah.

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BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



THIS IS TO CERTIFY THAT THE ABOVE HAT WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MEDER BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ABOUT AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELLE

REGISTERED AND SURVEYOR REGISTRATION NO. 461610

Revised: 03-14-05 D.R.B.

Untah Engineering & Land Surveying 85 South 200 East - Vernal, Utah 84078

(435) 789–1017

SCALE 1" = 1000'		DATE SURVEYED: DATE DRAWN:		
1 = 1000		02-05-03	02-06-03	
PARTY		REFERENCES		
S.H. T.H.	D.R.B.	G.L.O. PLA	T	
WEATHER		FILE		
COLD		QUESTAR EXPLR. & PROD		

T8S. R22E. S.L.B.&M. S89°56'00"W - 2641.30' (Meas.) S89*59'W - 2642.64' (G.L.O.) 1928 Brass Cap 1938 Brass Cap 0.5' High, Small 1.0' High, Large Pile of Stones Pile of Stones NWLY 3' WLY 5280.00 1938 Brass Cap Flush w/Ground, Two Stones WLY SG #11MU-11-8-22 806 (Meas.) Elev. Graded Ground = 4940' ►•• BOTTOM HOLE 1983 *8*3, 2572. 2260' NO0°03'45"W NOTE: THE PROPOSED BOTTOM HOLE BEARS S76'42'47"E 1209.20' FROM THE PROPOSED WELL HEAD. Brass Cap-1933 Brass Cap 1.2' High WEST - 2643.96' (G.L.O.) S89'54'43"W - 2643.40' (Meas.) N00°02'35"E - 67.92' (Meas.) 1938 Brass Cap (NAD 83) 0.5' High, Large LATITUDE = $40^{\circ}08'10.01"$ (40.136114) Pile of Stones LONGITUDE = $109^{2}4^{4}9.86^{\circ}$ (109.413850) LEGEND: (NAD 27) = 90° SYMBOL LATITUDE = 40.08'10.14'' (40.136150) = PROPOSED WELL HEAD. LONGITUDE = $109^{\circ}24^{\prime}47.40^{\circ}$ (109.413167)

= SECTION CORNERS LOCATED.

QUESTAR EXPLR. & PROD.

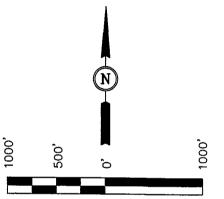
Well location, SG #11MU-11-8-22, located as shown in the NW 1/4 SW 1/4 of Section 11. T8S. R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

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BASIS OF BEARINGS

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CERTIFICATE

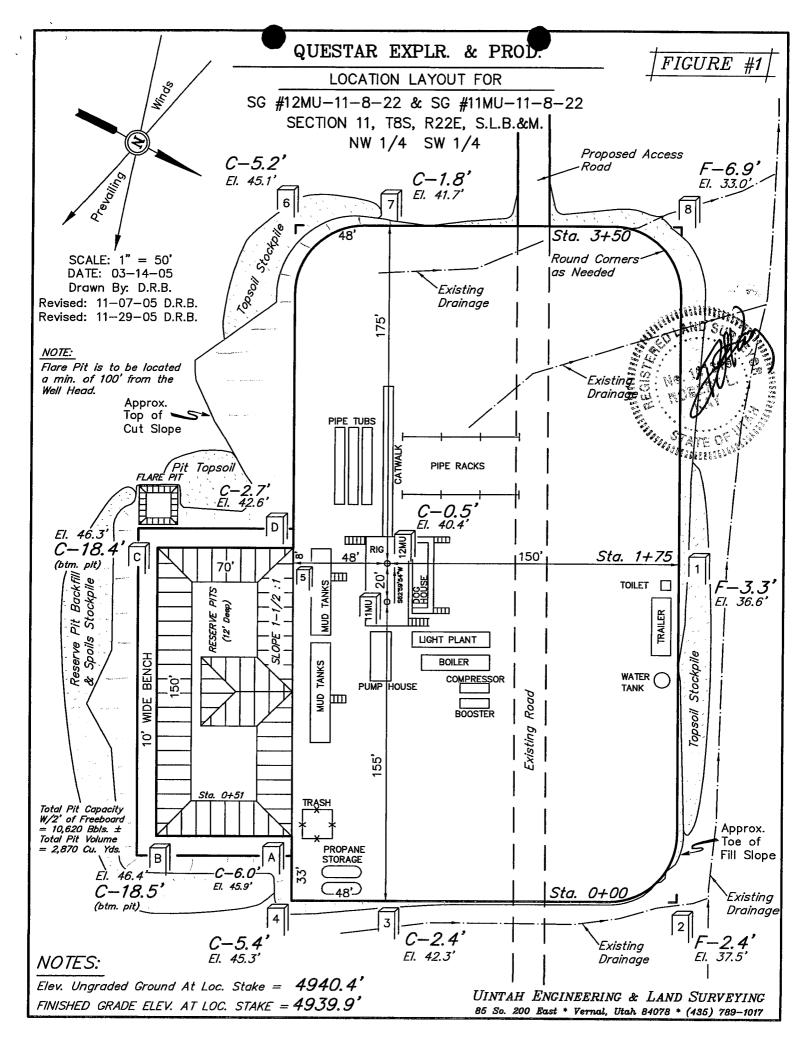
SCALE

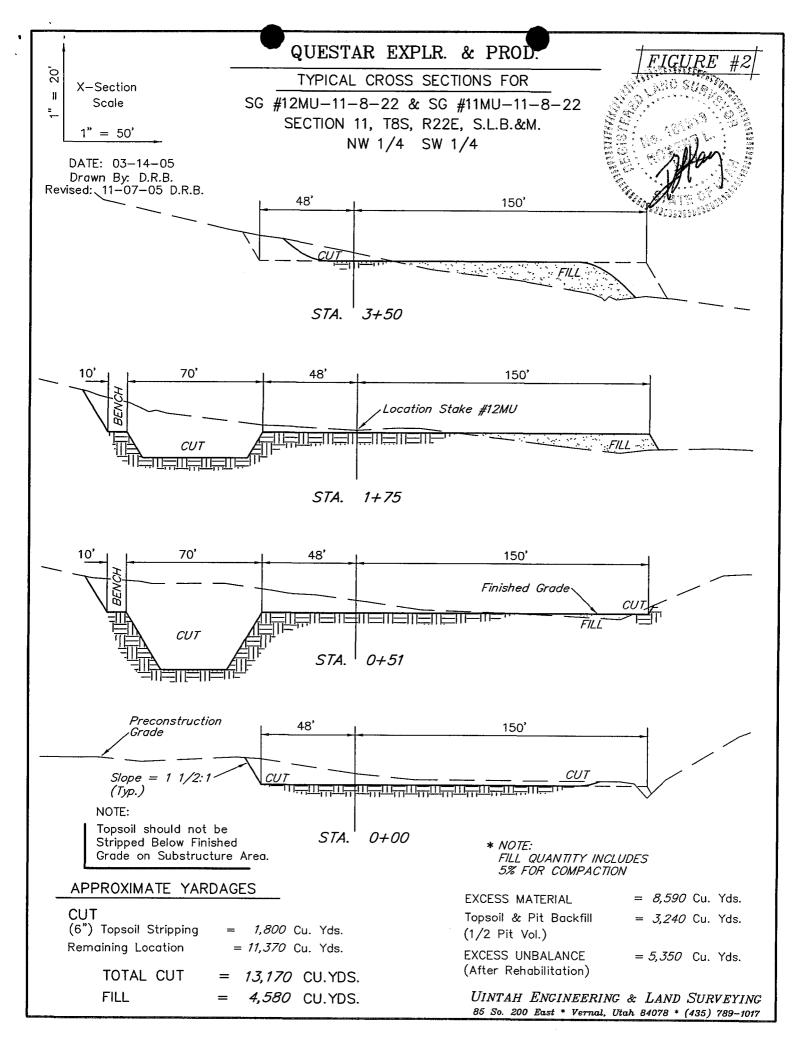
THIS IS TO CERTIFY THAT THE ABOVE PLATE WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO BEST OF MY KNOWLEDGE AND BELIEF

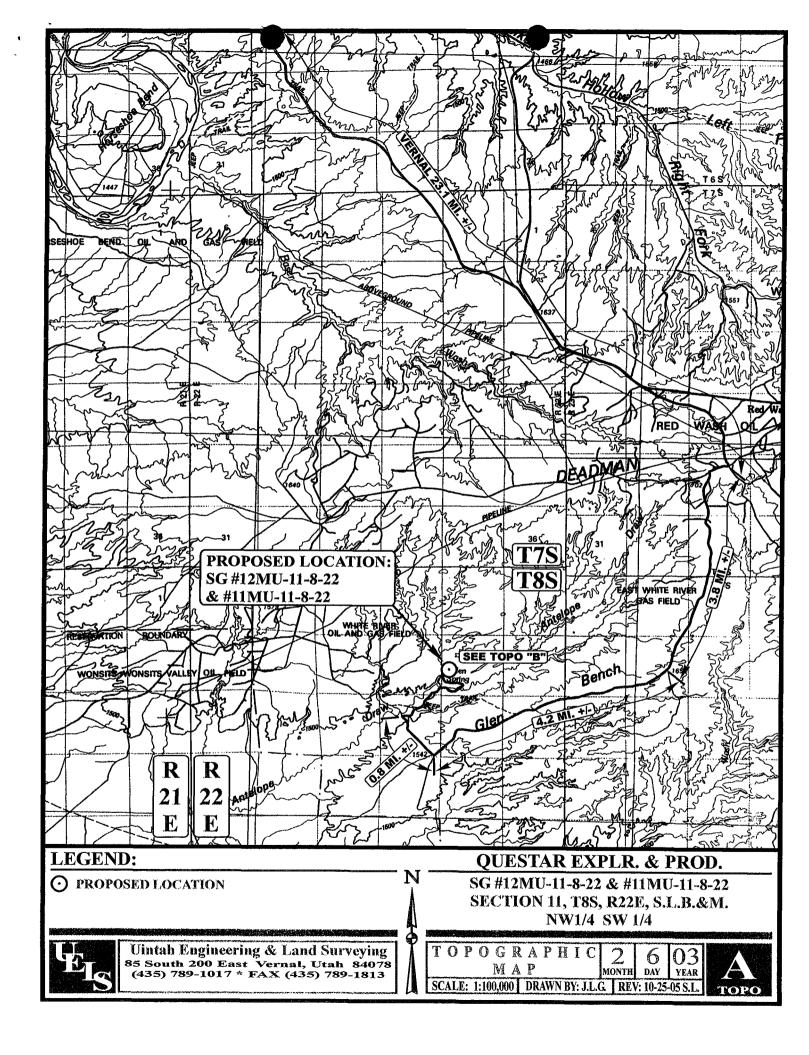
REGISTRATION NO. 161819.3

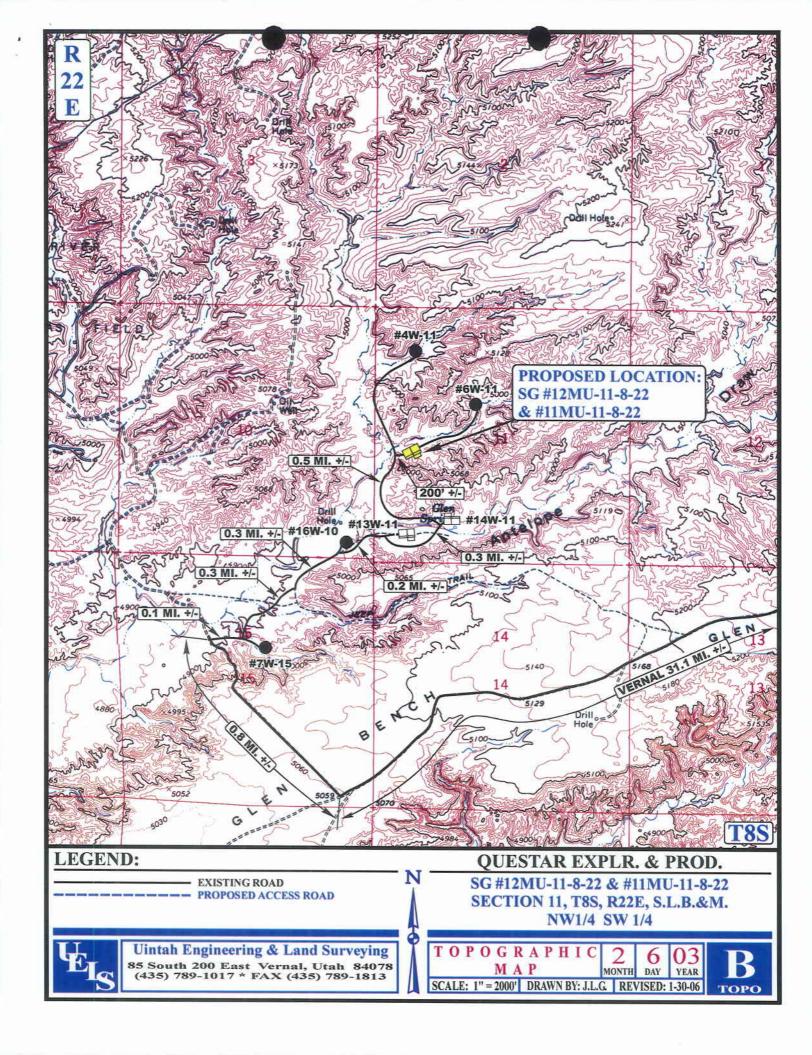
UNTAH ENGINEERING & LAND SURVEYING 200 EAST - VERNAL, UTAH 84078 85 SOUTH

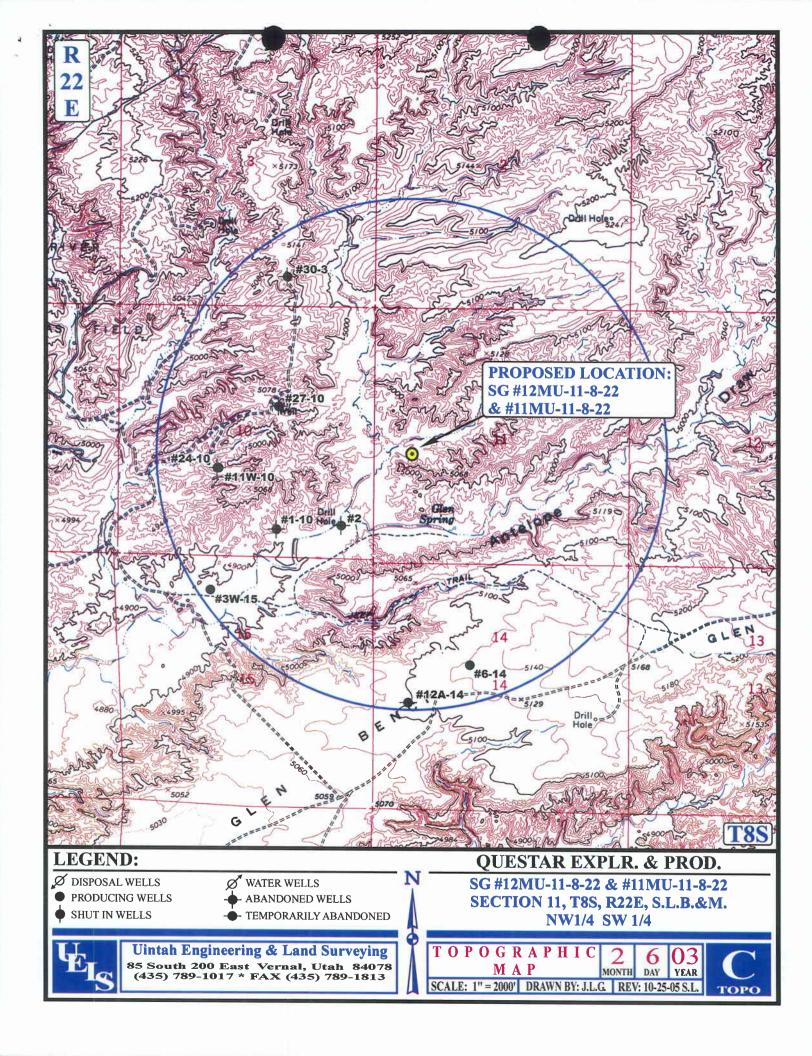
(435) 789–1017					
SCALE 1" = 1000'		DATE SURVEYED: 09-30-05	DATE DRAWN: 11-07-05		
D.A. C.R.	D.R.B.	REFERENCES G.L.O. PLAT			
WEATHER		FILE			
WARM		QUESTAR EXPLR. & PROD.			

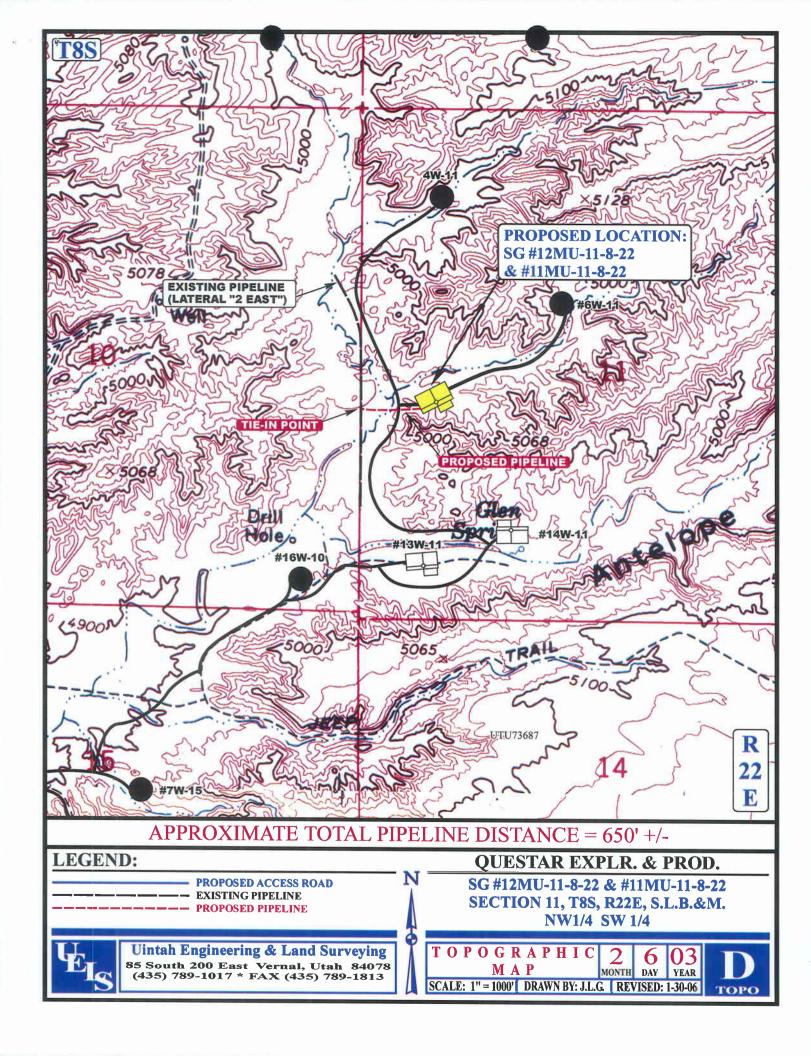




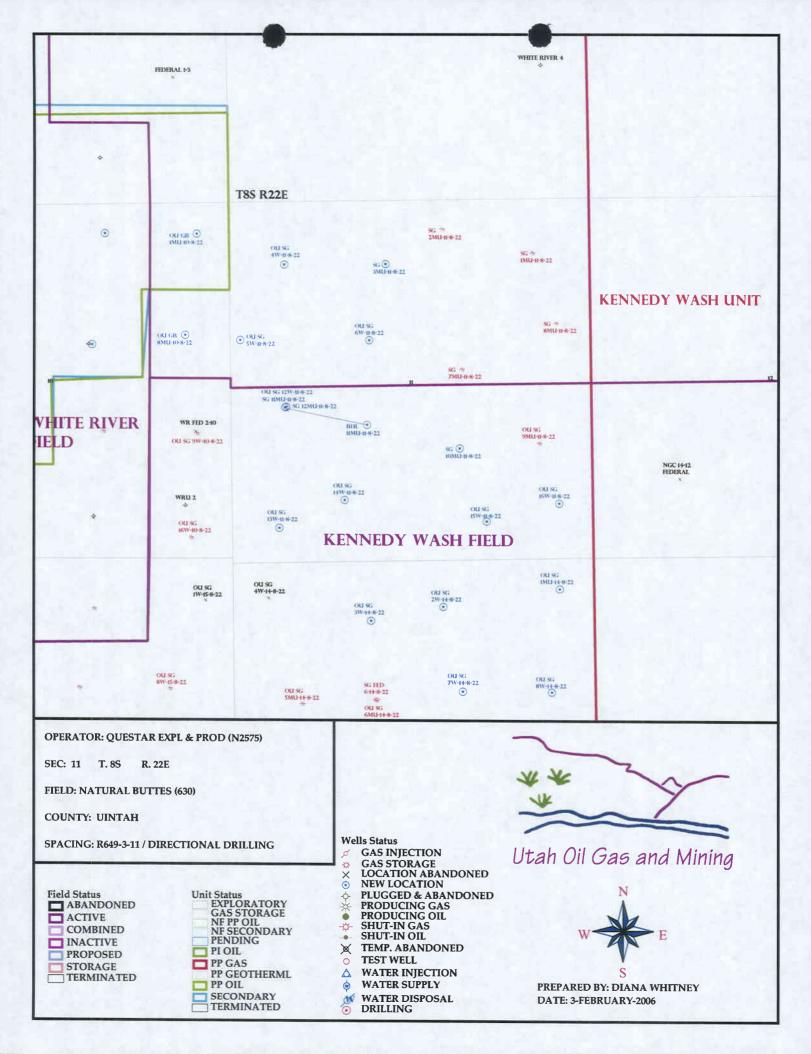








				* 11.00
APD RECEIVED: 01/31/2006		API NO. ASSIG	NED: 43-047	-37662
WELL NAME: SG 11MU-11-8-22				
OPERATOR: QUESTAR EXPL & PROD CO (N5085)		PHONE NUMBER:	435-781-4331	L
CONTACT: JAN NELSON				
PROPOSED LOCATION:		INSPECT LOCATN	BY: /	/
NWSW 11 080S 220E SURFACE: 2260 FSL 0806 FWL		Tech Review	Initials	Date
JESU BOTTOM: 1981 FSL 1983 FWL		Engineering		
COUNTY: UINTAH			 	
LATITUDE: 40.13621 LONGITUDE: -109.4131		Geology		
UTM SURF EASTINGS: 635194 NORTHINGS: 44438	871	Surface		
FIELD NAME: KENNEDY WASH (618)		L	·· <u>·</u>
LEASE TYPE: 1 - Federal LEASE NUMBER: UTU-73687 SURFACE OWNER: 1 - Federal		PROPOSED FORMAT)
RECEIVED AND/OR REVIEWED:	LOCATIO	ON AND SITING:		•
Plat	D.	549-2-3.		
Bond: Fed[1] Ind[] Sta[] Fee[]		049-2-3.		
(No. ESB000024)	Unit:_			
N Potash (Y/N)	R6	549-3-2. Gener	al	
	Si	iting: 460 From Qt	r/Qtr & 920' Be	etween Wells
Water Permit	R6	549-3-3. Excep	tion	
(No. <u>49-2153</u>)	ות	rilling Unit		
N RDCC Review (Y/N)		Board Cause No:		
(Date:)	I	Eff Date:		
Fee Surf Agreement (Y/N)	٤	Siting:		
Intent to Commingle (Y/N)	R6	549-3-11. Dire	ctional Dril	.1 #
COMMENTS:				
stipulations: 1- Federal Approval 2- Spacing Stip)			





State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director



GARY R. HERBERT Lieutenant Governor

February 6, 2006

Questar Exploration and Production Company 11002 E 17500 S Vernal, UT 84078

Re:

SG 11MU-11-8-22 Well, Surface Location 2260' FSL, 806' FWL, NW SW, Sec. 11, T. 8 South, R. 22 East, Bottom Location 1981' FSL, 1983' FWL,

NE SW, Sec. 11, T. 8 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37662.

Sincerely,

Gil Hunt

Associate Director

pab Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal District Office

Operator:	Questar	Questar Exploration and Production Company			
Well Name & Number	SG 11M	ГU-11-8-22			
API Number:	43-047-	37662			
Lease:	UTU-73	3687			
Surface Location: NW SW	Sec. 11	T. 8 South	R. 22 East		
Bottom Location: <u>NE SW</u>	Sec. 11_	T. 8 South	R. 22 East		

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
- 6. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

Form 3160-3 (July 1992)

(I CONFIDENTING ECOLO)

FORM APPROVED

OMB NO. 1040-0136 Expires: February 28, 1995

UNITED STATES DEPARTMENT OF THE INTERIOR

SUBMIT IN TRIPLICATE 200 5. LEASE DESIGNATION AND SERIAL NO.

BUREAU OF LAND MANAGE	MENT	Dian.	010-7	
			TAT INDIAN, ALLOTTEE	
APPLICATION FOR PERMIT	TO DRILL O		I/A/I N//	
TYPE OF WORK			7. UNIT AGREEMENT NAI	
DRILL 🗹	DEEPEN	}	N//	
TYPE OF WELL	_		8. FARM OR LEASE NAM	E, WELL NO.
	MULTIPLE	_}		
OIL WELL GAS WELL OTHER ZONE	ZONE		SG 11MU	-11-8-22
2. NAME OF OFERATOR	Contact: Jan Nel	Jo.,,	9. APIWELL NO.	37/0/02
QUESTAR EXPLORATION & PRODUCTION COMPANY		n.nelson@questar.com	10. FIELD AND POOL, OF	
3. ADDITEGG	elphone number	781-4331 Fax 435-781-4323	KENNED	
11002 E. 17500 S. Vernal, Ut 84078			11. SEC.,T, R, M, OR BLK	
4. LOCATION OF WELL (Report location clearly and in At Surface 2260' FSL 806' FWL, NV			, , , , , , , , , , , , , , , , , , ,	
At Surface 2260 FSL 806 FWL, NV At proposed production zone 1981 FSL 1983 FWL,			SEC.11, T8S, R	22E, Mer SLB
			12. COUNTY OR PARISH	
14. DISTANCE IN MILES FROM NEAREST TOWN OR P	COTOLLIGE		Uintah	UT
32 MILES + / - FROM VERNAL, UT 15. DISTANCE FROM PROPOSED LOCATION TO NEAR	REST	16.NO.OF ACRES IN LEASE	17. NO. OF ACRES ASSIG	SNED TO THIS WELL
PROPERTY OR LEASE LINE, FT.	,			
(also to nearest drig,unit line if any)		1595.48	40)
1981' +/-				
18.DISTANCE FROM PROPOSED location to nearest w	vell, drilling,	19. PROPOSED DEPTH	20. BLM/BIA Bond No. or	1 file
completed, applied for, on this lease, ft		9600' TVD 9746' MD	ESB000024	
2000' +/-		22. DATE WORK WILL START	23. Estimated duration	<u> </u>
21. ELEVATIONS (Show whether DF, RT, GR, ect.)		ASAP	20 days	
4939.9' GR		, AOAI		
24. Attachments				
The following, completed in accordance with the requi	rments of Onsho	ore Oil and Gas Order No. 1, sha	Il be attached to this form	1:
Well plat certified by a registered surveyor.		4. Bond to cover the operations unle	ss covered by an exisiting bor	nd on file (see
2. A Drilling Plan		Item 20 above)		
3. A surface Use Plan (if location is on National Forest System	Lands,	5. Operator certification.		
the SUPO shall be filed with the appropriate Forest Service (6. Such other site specific information	n and/or plans as may be req	uired by the
		authorized officer.		
7		- NA		
1 /				
SIGNED SIGNED	Name (printed/ty	ped) Jan Neison	DATE	1-29-06
77 70	Accer	ited by the Division of	DECEIV	ED
TITLE // Regulatory Affairs	Utan	and Mining	RECEIV	
(This space for Federal or State office use)			NOV 072	006
(IIII open III)	FOR RE	CORD ONLY	1101 0	,000
PERMIT NO.	APPROV		DIV OF OIL GAS	& MINING
Application approval does not warrant or certify the applicant holds any legal or equitable t	title to those rights in the su	bject lease which would entitle the applicant to conduc	et operations thereon	
CONDITIONS OF APPROVAL, IF ANY:				
1 4 1		istant Field Manager		
APPROVED BY Juny Kings		s & Mineral Resources	- DATE	10-6-2006
	*See Instr	uctions On Reverse Side		

Title 18 U.S.C Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction

UDD6M



UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

VERNAL FIELD OFFICE

VERNAL, UT 84078 170 South 500 East

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

OEP Uintah Basin, Inc. Company:

Location:

NWSW, Sec 11 T8S R22E

Well No:

SG 11MU-11-8-22

Lease No:

UTU-73687

API No:

43-047-37662

Agreement: N/A

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029

Environmental Scientist: Paul Buhler Office: 435-781-4484 Karl Wright **Environmental Scientist:** Office: 435-781-4404 Holly Villa Natural Resource Specialist: Melissa Hawk Office: 435-781-4476 Natural Resource Specialist: Office: 435-781-4437 Scott Ackerman Natural Resource Specialist:

After Hours Contact Number: 435-781-4513

Fax: 435-781-4410

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

Location Construction (Notify Paul Buhler)

Forty-Eight (48) hours prior to construction of location and access roads.

Location Completion (Notify Paul Buhler)

Prior to moving on the drilling rig.

Spud Notice

Twenty-Four (24) hours prior to spudding the well.

(Notify Petroleum Engineer)

Casing String & Cementing

Twenty-Four (24) hours prior to running casing and cementing all casing

strings.

BOP & Related Equipment Tests

(Notify Jamie Sparger)

(Notify Jamie Sparger)

Twenty-Four (24) hours prior to initiating pressure tests.

First Production Notice (Notify Petroleum Engineer) Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

COAs: Page 2 of 6 Well: SG 11MU-11-8-22

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

1. The buried pipeline exception request has been received. It has been determined that the pipeline route has bedrock exposed at the surface. The exception is granted for a surface pipeline.

2. As part of the original conditions of approval, when 12 W-11-8-22 was approved, the Paleontological Resource Report stated "move bones from access road right-of-way to the east out of the disturbed area." This was completed when the access road was built to access another well.

COAs: Page 3 of 6 Well: SG 11MU-11-8-22

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- 1. Oil shall not be used in the water based mud system without prior approval. Written request for approval shall be required.
- 2. Production casing cement top shall be at a minimum of 200' above the intermediate casing shoe.
- 3. A CBL shall be run from TD to the surface casing shoe and a field copy shall be submitted to the BLM Vernal Field Office.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- 1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- 2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- 3. Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- 4. Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.

All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

COAs: Page 4 of 6 Well: SG 11MU-11-8-22

5. All shows of fresh water and minerals shall be reported and protected. A sample shall be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.

- 6. No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
- 7. Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

COAs: Page 5 of 6 Well: SG 11MU-11-8-22

Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.

9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

- 10. Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
- 11. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- 12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location (1/41/4, Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
 - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - g. Unit agreement and / or participating area name and number, if applicable.
 - h. Communitization agreement number, if applicable.

COAs: Page 6 of 6 Well: SG 11MU-11-8-22

13. Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.

- 14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- 16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

Form 3160-3 (July 1992) O CONFIDENTINE D

FORM APPROVED

OMB NO. 1040-0136 Expires: February 28, 1995

UTU-73687

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE

206 5. LEASE DESIGNATION AND SERIAL NO.

		BLM VFRMALL	TALINDIAN, ALLOTTEE	OR TRIBE NAME
APPLICATION FOR PERMI	T TO DRILL C	R DEEPEN THE TOTAL	IAT N	<u>A</u>
TYPE OF WORK			7. UNIT AGREEMENT NA	ME
			N/	
TYPE OF WELL			8. FARM OR LEASE NAM	ME, WELL NO.
	☑ MULTIPLE			
OIL WELL GAS WELL OTHER ZONE	ZONE		SG 11ML	J-11-8-22
2. NAME OF OPERATOR	Contact: Jan Nel	son	9. APIWELL NO.	27//2
QUESTAR EXPLORATION & PRODUCTION COMPANY	E-Mail: ja	n.nelson@questar.com	451A1	5/662
3. ADDRESS	Telphone numbe	r	10. FIELD AND POOL, O	
11002 E. 17500 S. Vernal, Ut 84078		781-4331 Fax 435-781-4323	KENNED	
4. LOCATION OF WELL (Report location clearly and		•	11. SEC.,T, R, M, OR BL	(& SURVEY OR AREA
At Surface 2260' FSL 806' FWL, N				
At proposed production zone 1981' FSL 1983' FW		N 11, T8S, R22E	SEC.11, T8S, F	
14. DISTANCE IN MILES FROM NEAREST TOWN OR	POSTOFFICE*		12. COUNTY OR PARISH	UT
32 MILES + / - FROM VERNAL, UT		16.NO.OF ACRES IN LEASE	Uintah 17. NO. OF ACRES ASSI	
15. DISTANCE FROM PROPOSED LOCATION TO NE	AREST	18.NO.OF ACKES IN LEASE	17. NO. OF AGREGACE.	01125 10 110 11
PROPERTY OR LEASE LINE, FT. (also to nearest drig,unit line if any)		1595.48	4	0
•		1000.40		
1981' +/- 18.DISTANCE FROM PROPOSED location to nearest	well, drilling.	19. PROPOSED DEPTH	20. BLM/BIA Bond No. o	n file
completed, applied for, on this lease, ft	,	9600' TVD	ESB000024	
2000' +/-		9746' MD		
21. ELEVATIONS (Show whether DF, RT, GR, ect.)		22. DATE WORK WILL START	23. Estimated duration	
4939.9' GR		ASAP	20 days	
24. Attachments				
The following, completed in accordance with the requ	irments of Onsho	ore Oil and Gas Order No. 1, shal	I be attached to this form	1: -
Well plat certified by a registered surveyor. A Drilling Plan		4. Bond to cover the operations unler Item 20 above).	ss covered by an exisiting bo	nd on tile (see
A surface Use Plan (if location is on National Forest Syste	m Lands,	5. Operator certification.		
the SUPO shall be filed with the appropriate Forest Service		6. Such other site specific informatio	n and/or plans as may be req	uired by the
		authorized officer.	·	
SIGNED XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	Name (printed/ty	ped) Jan Nelson Ned by the	DATE	1-29-06
7/- 7	Accer	Division of	DECEN	ED
TITLE / Regulatory Affairs	UMI	and Mining	RECEIV	LU
(This space for Federal or State office use)			NOV 0 7 2	2006
	FOR RE	CORD ONLY	,10, 0, .	
PERMIT NO.	APPROV		DIV. OF OIL, GAS	& MINING
Application approval does not warrant or certify the applicant holds any legal or equitable	title to those rights in the sul	oject lease which would entitle the applicant to conduc	t operations thereon	
CONDITIONS OF APPROVAL, IF ANY:				
14/1		Istant Field Manager		
APPROVED BY Jun Kings		s & Mineral Resources	- DATE	10-6-2006
	*See Instr	uctions On Reverse Side		

Title 18 U.S.C Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the

United States any false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction

UDD6M



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE

VERNAL FIELD OFFICE VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: OEP Uintah Basin, Inc. Location: NWSW, Sec 11 T8S R22E

Well No: SG 11MU-11-8-22 Lease No: UTU-73687

API No: 43-047-37662 Agreement: N/A

170 South 500 East

Matt Baker Office: 435-781-4490 Cell: 435-828-4470 Petroleum Engineer: Cell: 435-828-7875 Office: 435-781-4432 Petroleum Engineer: Michael Lee Office: 435-781-4502 Cell: 435-828-3913 Supervisory Petroleum Technician: Jamie Sparger Cell: 435-828-4029 **Environmental Scientist:** Paul Buhler Office: 435-781-4475 Office: 435-781-4484 Karl Wright **Environmental Scientist:**

Natural Resource Specialist:

Scott Ackerman

After Hours Contact Number: 435-781-4513

Karl Wright

Office: 435-781-4484

Office: 435-781-4404

Office: 435-781-4476

Fax: 435-781-4410

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

Location Construction - Forty-Eight (48) hours prior to construction of location and access roads. (Notify Paul Buhler)

Location Completion - Prior to moving on the drilling rig. (Notify Paul Buhler)

Spud Notice - Twenty-Four (24) hours prior to spudding the well. (Notify Petroleum Engineer)

Casing String & Cementing
(Notify Jamie Sparger)

- Twenty-Four (24) hours prior to running casing and cementing all casing strings.

BOP & Related Equipment Tests - Twenty-Four (24) hours prior to initiating pressure tests. (Notify Jamie Sparger)

First Production Notice

(Notify Petroleum Engineer)

- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

COAs: Page 2 of 6 Well: SG 11MU-11-8-22

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

1. The buried pipeline exception request has been received. It has been determined that the pipeline route has bedrock exposed at the surface. The exception is granted for a surface pipeline.

2. As part of the original conditions of approval, when 12 W-11-8-22 was approved, the Paleontological Resource Report stated "move bones from access road right-of-way to the east out of the disturbed area." This was completed when the access road was built to access another well.

COAs: Page 3 of 6 Well: SG 11MU-11-8-22

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- 1. Oil shall not be used in the water based mud system without prior approval. Written request for approval shall be required.
- 2. Production casing cement top shall be at a minimum of 200' above the intermediate casing shoe.
- 3. A CBL shall be run from TD to the surface casing shoe and a field copy shall be submitted to the BLM Vernal Field Office.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- 1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- 2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- 3. Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- 4. Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.

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COAs: Page 4 of 6 Well: SG 11MU-11-8-22

5. All shows of fresh water and minerals shall be reported and protected. A sample shall be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.

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- 7. Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

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In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

COAs: Page 5 of 6 Well: SG 11MU-11-8-22

Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.

9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

- 10. Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
- 11. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- 12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location (1/41/4, Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
 - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - g. Unit agreement and / or participating area name and number, if applicable.
 - h. Communitization agreement number, if applicable.

COAs: Page 6 of 6 Well: SG 11MU-11-8-22

13. Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.

- 14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production
- 15. Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- 16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

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FORM 9

ſ	DIVISION OF OIL, GAS AND MIN		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73687
SUNDRY NOTICES AND REPORTS ON WELLS 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A			
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.			
TYPE OF WELL OIL WELL	GAS WELL 🗹 OTHER		8. WELL NAME and NUMBER: SG 11MU-11-8-22
2. NAME OF OPERATOR:			9. API NUMBER: 4304737662
QEP UINTA BASIN, INC 3. ADDRESS OF OPERATOR:		PHONE NUMBER:	10. FIELD AND POOL, OR WILDCAT:
11002 E. 17500 S. CITY	VERNAL STATE UT ZIP 8	4078 (435) 781-4032	KENNEDY WASH
FOOTAGES AT SURFACE: 2260' F	FSL 806' FWL		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANG			STATE: UTAH
11. CHECK APPE	ROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPO	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	DEPENDATE OURDENT FORMATION
NOTICE OF INTENT (Submit in Duplicate)	ACIDIZE ALTER CASING	DEEPEN FRACTURE TREAT	REPERFORATE CURRENT FORMATION SIDETRACK TO REPAIR WELL
Approximate date work will start:	CASING REPAIR	NEW CONSTRUCTION	TEMPORARILY ABANDON
Approximate date work will exact.	CHANGE TO PREVIOUS PLANS	OPERATOR CHANGE	TUBING REPAIR
	CHANGE TUBING	PLUG AND ABANDON	VENT OR FLARE
SUBSEQUENT REPORT	CHANGE WELL NAME	PLUG BACK	WATER DISPOSAL
(Submit Original Form Only)	CHANGE WELL STATUS	PRODUCTION (START/RESUME)	WATER SHUT-OFF
Date of work completion:	COMMINGLE PRODUCING FORMATIONS	RECLAMATION OF WELL SITE	✓ OTHER: APD EXTENSION
	CONVERT WELL TYPE	RECOMPLETE - DIFFERENT FORMATION	
	Qil		es, etc. 2-8-01
NAME (PLEASE PRINT) Laura Bills	3	TITLE Regulatory Assis	stant
SIGNATURE TOUR	va Bills	DATE 2/1/2007	
(This space for State use only)			MIDENIED

FEB 0 5 2007

Application for Permit to Drill Request for Permit Extension Validation

Validation
(this form should accompany the Sundry Notice requesting permit extension)

Location: Company Per	SG 11MU-11-8-22 2260' FSL 806' FW	'L, NWSW, SEC. 11, T8S, R2 QEP UINTA BASIN, INC. 2/6/2006	!2E	
above, hereby	verifies that the	legal rights to drill on the information as submitted mains valid and does no	d in the previously	/
Following is a verified.	checklist of some	e items related to the ap	plication, which s	hould be
-	rivate land, has tl en updated? Yes	he ownership changed, □No☑	if so, has the surf	face
•		the vicinity of the propos nts for this location? Yes		uld affect
		er agreements put in pla roposed well? Yes⊡ No		ct the
Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes□No☑				
Has the approv	ved source of wa	ter for drilling changed?	Yes□No☑	
	ire a change in p	changes to the surface lo		
Is bonding still	in place, which o	covers this proposed we	ll? Yes ☑ No □	
Dam	2 Bills		2/1/2007	
Signature	·		Date	
Title: REGULA	TORY ASSISTANT	· 		
Representing:	QEP UINTA BASI	IN, INC.		

Form 3160-5	UNITED STATES		FORM APPROVED OMB No. 1004-0135	
(Noverfiber 1994) DEP.	ARTMENT OF THE INTER	RIOR	Expires July 31, 1996	
BUREAU OF LAND MANAGEMENT			5. Lease Serial No.	
SUNDRY NOTICES AND REPORTS ON WELLS			UTU-73687	
	form for proposals to dr		6. If Indian, Allottee or Tribe Name	
abandoned well.	Use Form 3160-3 (APD) for	such proposals.	N/A	
	ATE - Other Instruction	ons on reverse side	7. If Unit or CA/Agreement, Name and/or No. N/A	
1. Type of Well				
Oil Well X Gas Well	Other Other		8. Well Name and No.	
2. Name of Operator			SG 11MU-11-8-22	
QUESTAR EXPLORATION & PR		ontact: Jan Nelson	9. API Well No.	
3a. Address		3b. Phone No. (include area code)	43-047- 07662 37662 10. Field and Pool, or Exploratory Area	
11002 East 17500 South, Vernal, Location of Well (Footage, Sec., T., R., M.		435-781-4331		
SURFACE: 2260' FSL 806' FWL,		2225	KENNEDY WASH 11. County or Parish, State	
BOTTOM HOLE: 1981' FSL 1983			UINTAH	
12. CHECK APPROPRIATE BOX(ES) T	O INDICATE NATURE OF N	OTICE, REPORT, OR OTHER DATA	A	
TYPE OF SUBMISSION	TYPE OF ACTION			
Notice of Intent	Acidize	Deepen Production	on (Start/Resume) Water Shut-Off	
	Alter Casing	Fracture Treat Reclamate	<u>=</u> * ;	
Subsequent Report	Casing Repair	New Construction Recompl		
	Change Plans	_ ` :	rily Abandon APD EXTENSION	1
☐ Final Abandonment Notice	Convert to Injection	Plug Back Water Di	isposal	
Following completion of the involved oper Testing has been completed. Final Aban determined that the site is ready for final inspect Questar Exploration & Production BLM APD approval date: 10/06/20	ations. If the operation results in adonment Notices shall be filed online.) Co. hereby requests a 1 y 1006.	a multiple completion or recompletion in a ly after all requirements, including reclam	PERNAL FIELD OFFIC 1007 AUG 20 PM 4: 34 DEPT OF THE INTERIOR UREAU OF LAND MGM	UTI
14. I hereby certify that the foregoing is true at	nd correct	Title		
Name (Printed/Typed)				
Laura Bills		Regulatory Affairs		
Signature Taura Bil	¹ O _A	Date		
Sianu Si	<u> </u>	August 20, 2007		
	THIS SPACE FO	OR FEDERAL OR STATE USE	ID-4-	
Approved by		Petroleum Er	ngineer Date AUG 2 2 200	07
Conditions of approval if my, are attacked. Approval that the applicant holds legal or equitable title to those entitle the applicant to conduct operations thereon.	-	Office		
Title 18 U.S.C. Section 1001, makes it a crime for any	person knowingly and willfully to make	to any department or agency of the United States	any false, fictitious or	
fraudulent statements or representations as to any matt	er within its jurisdiction.			
(Instructions on reverse)				

Application for Permit to Drill Request for Permit Extension Validation (this form should accompany the Sundry Notice requesting permit extension)

Well Name: SG 11MU-11-8-22
Location: 2260' FSL 806' FWL, NWSW, SEC. 11, T8S, R22E Company Permit Issued to: Questar Exploration & Production Co.
Date Original Permit Issued: 10/6/2006
The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.
Following is a checklist of some items related to the application, which should be verified.
If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes□No☑
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes□No☑
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes□No☑
Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes□No ☑
Has the approved source of water for drilling changed? Yes□No☑
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes□No☑
Is bonding still in place, which covers this proposed well? Yes☑No□
Mana Bills 8/20/2007
Signature Date
Title: REGULATORY AFFAIRS
Representing: Questar Exploration & Production Co.

CONDITIONS OF APPROVAL

QEP Uintah Basin, Inc.

Notice of Intent APD Extension

Lease:

UTU-73687

Well:

SG 11MU-11-8-22

Location:

SHL: NWSW Sec 11-T8S-R22E

BHL: NESW Sec 11-T8S-R22E

An extension for the referenced APD is granted with the following conditions:

- 1. The extension and APD shall expire on 10/6/08.
- 2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Ryan Angus of this office at (435) 781-4430

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL GAS AND MINING

	I	DIVISION OF OIL, GAS AND	D MINING		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73687
SUNDRY NOTICES AND REPORTS ON WELLS					6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.					7. UNIT OF CA AGREEMENT NAME: N/A
1. TYPE OF WELL OIL WELL GAS WELL OTHER				8. WELL NAME and NUMBER: SG 11MU-11-8-22	
	ME OF OPERATOR: JESTAR EXPLORATIO	N & PRODUCTION CO.			9. API NUMBER: 4304737662
3. AD	DRESS OF OPERATOR:	VERNAL STATE UT	ZIP 84078	PHONE NUMBER: (435) 781-4331	10. FIELD AND POOL, OR WILDCAT: KENNEDY WASH
	OCATION OF WELL DOTAGES AT SURFACE: 2260' I		21F		COUNTY: UINTAH
QT	R/QTR, SECTION, TOWNSHIP, RAN	GE, MERIDIAN: NWSW 11 8S	22E		STATE: UTAH
11.	CHECK APPF	ROPRIATE BOXES TO INDI	ICATE NATURE	OF NOTICE, REPO	ORT, OR OTHER DATA
7	TYPE OF SUBMISSION		1	YPE OF ACTION	
Ø	NOTICE OF INTENT	ACIDIZE	DEEPEN		REPERFORATE CURRENT FORMATION
ואצו	(Submit in Duplicate)	ALTER CASING	FRACTURI	TREAT	SIDETRACK TO REPAIR WELL
	Approximate date work will start:	CASING REPAIR	NEW CON	STRUCTION	TEMPORARILY ABANDON
		CHANGE TO PREVIOUS PLANS	OPERATO	R CHANGE	TUBING REPAIR
		1=	=		=
		CHANGE TUBING	=	ABANDON	VENT OR FLARE
ш	SUBSEQUENT REPORT (Submit Original Form Only)	CHANGE WELL NAME	PLUG BAC	K	WATER DISPOSAL
	Date of work completion:	CHANGE WELL STATUS	PRODUCT	ON (START/RESUME)	WATER SHUT-OFF
		COMMINGLE PRODUCING FORMATI	IONS RECLAMA	TION OF WELL SITE	OTHER: APD EXTENSION
		CONVERT WELL TYPE	RECOMPL	TE - DIFFERENT FORMATION	
12.	DESCRIBE PROPOSED OR CO	MPLETED OPERATIONS. Clearly show	w all pertinent details in	cluding dates, depths, volur	mes, etc.
		e state APD for the above ca respectfully requests a one y		expired on February	7, 2008. Questar Exploration
		Utah	roved by the n Division of as and Mining	i	
		Date: O	2-07-0		COPY SENT TO OPERATOR Date: 2-7-2008
			M		Initials: KS
NAME	(PLEASE PRINT) Laura Bills	0.10	τιπι	Regulatory Affai	rs
SIGNA	ATURE	M TSILL	DAT	_F 2/4/2008	

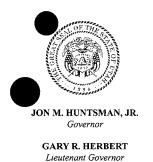
(This space for State use only)

RECEIVED
FEB 0 5 2008CONFIDENTIAL

Application for Permit to Drill Request for Permit Extension Validation (this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-37662
Well Name: SG 11MU-11-8-22 Location: 2260' FSL 806' FWL, NWSW, SEC. 11, T8S, R22E
Company Permit Issued to: Questar Exploration & Production Co.
Date Original Permit Issued: 2/6/2006
The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.
Following is a checklist of some items related to the application, which should be verified.
If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☑
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☑
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes□No☑
Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes□No☑
Has the approved source of water for drilling changed? Yes⊡No⊠
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes□No☑
Is bonding still in place, which covers this proposed well? Yes⊠No□
Signature Date
Title: REGULATORY AFFAIRS
Representing: Questar Exploration & Production Co. RECEIVED
FEB 0 5 2008

DIV. OF OIL, GAS & MINING





MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 23, 2008

Laura Bills Questar Exploration & Prod. Co 11002 East 17500 South Vernal, UT 84078 43 047 37662 SG 11MU-11-8-22 85 22E 11

Re: APDs Rescinded at the request of Questar Exploration & Prod. Co.

Dear Ms. Bills:

Enclosed find the list of APDs that you requested to be rescinded to Questar Exploration & Production Company. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective October 21, 2008.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject locations.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Masor

Environmental Scientist

cc: Well File

Bureau of Land Management, Vernal



Coy 11ML-14-8-24

Coy 06ML-23-8-24

Coy 05ML-24-8-24

Coy 13ML-24-8-24

Coy 14ML-24-8-24

NBZ 15ML-23-8-24

RWS 13ML-23-9-24

SG 11MU-11-8-22

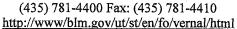
SG 12MU-11-8-22



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office 170 South 500 East Vernal, UT 84078





IN REPLY REFER TO: 3160 LLUTG01100

December 31, 2008

Jan Nelson Questar Exploration & Production, Co. 11002 East 17500 South Vernal, UT 84078

Re: Notice of Expira

Notice of Expiration
Well No. SG 11MU-11-8-22

NWSW, Sec. 11, T8S, R22E

Uintah County, Utah Lease No. UTU-73687

Dear Ms. Nelson:

The Application for Permit to Drill the above-referenced well was approved on October 6, 2006. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until October 6, 2008. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

If you have any questions regarding this matter, please contact me at (435) 781-4455.

Sincerely,

Cindy Severson

Cindy Severson Land Law Examiner

CC:

UDOGM

RECEIVED

JAN 1 4 2009

DIV. OF OIL, GAS & MINING